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ABSTRACT

The Reagan Administration's education voucher proposal was the subject of these hearings on H.R. 2397, a Bill To Improve the Educational Achievement of Educationally Deprived Children by Expanding Opportunities for Their Parents To Choose Schools That Best Meet Their Needs, To Foster Diversity and Competition among School Programs For Educationally Deprived Children, To Increase Private Sector Involvement in Providing Educational Programs for Educationally Deprived Children, and for Other Purposes. Secretary of Education Terrel H. Bell presented a statement outlining the Administration's reasons for introducing the voucher proposal. Statements opposing the voucher system were made by the following: Mary Hatwood Futrell of the National Education Association; Gregory Humphrey of the American Federation of Teachers; Grace Baisinger of the National Coalition for Public Education; Althea Simmons of the National Association for the Advancement of Colored People; Joseph Scherer of the American Association of School Administrators; and Linda Darling-Hammond of the Rand Corporation. Additional material for inclusion in the record was offered by Baisinger, Darling-Hammond, Futrell, and Simmons. Material for the record, including descriptions of educational programs that had tried vouchers, also came from Gary L. Bauer, Department of Education; Edd Doerr, the Voice of Reason; Reverend Thomas G. Gallagher, United States Catholic Conference; Frank J. Monahan, Office of Government Liaison; the Honorable Carl D. Perkins, Chairman, Committee on Education and Labor; Dr. Paul Salmon, American Association of School Administrators; Robert R. Severs, North Carolina Association of Compensatory Educators; and Robert Smith, Council for American Private Education. (CMG)

JAN 31 1984

HEARING ON THE EQUAL EDUCATIONAL OPPORTUNITY ACT OF 1983

ED240212

HEARING

BEFORE THE

SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

FIRST SESSION

ON

H.R. 2397

TO IMPROVE THE EDUCATIONAL ACHIEVEMENT OF EDUCATIONALLY DEPRIVED CHILDREN BY EXPANDING OPPORTUNITIES FOR THEIR PARENTS TO CHOOSE SCHOOLS THAT BEST MEET THEIR NEEDS, TO FOSTER DIVERSITY AND COMPETITION AMONG SCHOOL PROGRAMS FOR EDUCATIONALLY DEPRIVED CHILDREN, TO INCREASE PRIVATE SECTOR INVOLVEMENT IN PROVIDING EDUCATIONAL PROGRAMS FOR EDUCATIONALLY DEPRIVED CHILDREN, AND FOR OTHER PURPOSES

HEARING HELD IN WASHINGTON, D.C., ON APRIL 6, 1983

Printed for the use of the Committee on Education and Labor

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HEARING ON THE EQUAL EDUCATIONAL OPPORTUNITY ACT OF 1983

WEDNESDAY, APRIL 6, 1983

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY,
AND VOCATIONAL EDUCATION,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C.

The subcommittee met, pursuant to call, at 9:45 a.m., in room 2145, Rayburn House Office Building, Hon. George Miller, presiding.

Members present: Representatives Miller, Hawkins, Kildee, Corrada, Boucher, and Gunderson.

Staff present: John F. Jennings, counsel; Nancy L. Kober, legislative specialist; and Betsy Brand, minority legislative associate.

[Text of H.R. 2397 follows:]

I

98TH CONGRESS
1ST SESSION

H. R. 2397

To improve the educational achievement of educationally deprived children by expanding opportunities for their parents to choose schools that best meet their needs, to foster diversity and competition among school programs for educationally deprived children, to increase private sector involvement in providing educational programs for educationally deprived children, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 1983

Mr. ERLENBORN introduced the following bill; which was referred to the Committee on Education and Labor

---

A BILL

To improve the educational achievement of educationally deprived children by expanding opportunities for their parents to choose schools that best meet their needs, to foster diversity and competition among school programs for educationally deprived children, to increase private sector involvement in providing educational programs for educationally deprived children, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Equal Educational Opportunity Act of 1983".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that significant improvements in the educational achievement of educationally deprived children can be accomplished by—

(1) expanding the opportunities for parents of educationally deprived children to choose schools that best meet the needs of their children;

(2) fostering diversity and competition among school programs for educationally deprived children; and

(3) increasing private sector involvement in providing educational programs for educationally deprived children.

(b) It is the purpose of this Act to authorize use of funds under chapter 1 of the Education Consolidation and Improvement Act of 1981 for vouchers which parents of educationally deprived children may use to pay for educational programs and services for these children at public or private elementary or secondary schools.

EDUCATIONAL VOUCHERS

SEC. 3. Chapter 1 of the Education Consolidation and Improvement Act of 1981 is amended—

(1) by adding new sections 559 and 560 at the end thereof to read as follows:

"EDUCATIONAL VOUCHERS

"SEC. 559. (a) GENERAL.—Payments to local educational agencies under this chapter may be used for educational voucher programs in which parents of educationally deprived children use vouchers to pay for—

"(1) enrolling these children as full-time students at private schools, or at public schools located outside of the school district in which the children reside; or

"(2) in the case of parents who decide to enroll their children at public schools of the school district in which the children reside, compensatory services for such children provided by the local educational agency to meet their special educational needs.

"(b) DECISION TO CONDUCT PROGRAM.—(1) A State educational agency may require local educational agencies within its State to use funds received by the local educational agencies under this chapter to implement educational voucher programs. If a State educational agency does so, it must require all such local educational agencies to use funds under this chapter for such programs.

"(2) If a State educational agency does not require local educational agencies to use funds received under this chapter to implement educational voucher programs, each local educational agency within the State shall have discretion to use

the funds it receives under this chapter to implement an educational voucher program.

"(c) AUTHORIZED PROGRAMS.—An educational voucher program under this section shall—

"(1) provide for the distribution of vouchers to parents of educationally deprived children selected in accordance with sections 556(b) (1) and (2) and 557(a), except that the local educational agency, subject to any State requirements under subsection (b)(1), shall have discretion to distribute the vouchers to some or all of such parents;

"(2) permit a parent who receives a voucher under this section to use the voucher for that parent's eligible child only to pay for—

"(A) enrolling such child as a full-time student at a private elementary or secondary school, or at a public elementary or secondary school located outside of the school district in which the child resides; or

"(B) in the case of a parent who decides to enroll his child at a public school of the school district in which the child resides, services selected by the parent for such child under programs or projects that the local educational agency for such

school district provides in accordance with the requirements of section 555;

"(3) provide that a local educational agency or a private school that receives a voucher from a parent under this section may redeem the voucher for funds under this chapter in an amount equal to the quotient of the amount of funds under this chapter that the local educational agency administering the educational voucher program plans to expend in the fiscal year in which the voucher is to be redeemed, less funds necessary for program administration, divided by the number of educationally deprived children selected by such local educational agency for participation under chapter 1 for such fiscal year in accordance with sections 556(b) (1) and (2) and 557(a).

"(d) LOCAL EDUCATIONAL AGENCY PROGRAMS AND PROJECTS.—A local educational agency shall provide programs and projects, in accordance with the provisions of this chapter, to meet the special educational needs of—

"(1) eligible children of parents who decide to use their educational vouchers for such programs and projects provided by the local educational agency, in accordance with subsection (c)(2)(ii); and

"(2) children selected by the local educational agency for participation under chapter 1 in accordance

with sections 556(b) (1) and (2) and 557(a) whose parents do not receive vouchers from the local educational agency.

"(e) APPLICATION BY LOCAL EDUCATIONAL AGENCY.—(1) A local educational agency that conducts an educational voucher program under this section shall have on file with the State educational agency an application which describes the program to be conducted for a period of not more than three years.

"(2) The application shall be approved by the State educational agency if it provides assurances satisfactory to the State educational agency that—

"(A) the local educational agency will keep such records and provide such information to the State educational agency as may be required for fiscal audit and program evaluation, and

"(B) the educational voucher program described meets the requirements of subsection (c).

"(f) VOUCHER IS NOT FEDERAL ASSISTANCE.—Payments made by a local educational agency to a private school or to another local educational agency pursuant to an educational voucher program under this chapter shall not constitute Federal financial assistance to the local educational agency or private school receiving such payments, and use of funds under this chapter received in exchange for a voucher

by a private school or by a public school located outside of the school district in which the eligible child resides shall not constitute a program or activity receiving Federal financial assistance.

"(g) DEFINITIONS.—As used in this section—

"(1) the term 'eligible child' means an educationally deprived child for whom an educational voucher is distributed to a parent under this section;

"(2) the term 'parent' includes a legal guardian or other person standing in loco parentis; and

"(3) notwithstanding section 595(7), the term 'private', as applied to an elementary or secondary school, means a day or residential school in any State which—

"(A) provides elementary or secondary education, not including any education beyond grade twelve;

"(B) is not under public supervision or control;

"(C) normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on; and

"(D) includes in any published bylaws, advertisements, admission application forms, and

other published materials a statement (in such form and manner as the Secretary may by regulations prescribe) that it does not discriminate against student applicants or students on the basis of race.

"(h) APPLICABILITY OF CHAPTER 1 PROVISIONS.—The following provisions of this chapter shall not be applicable to educational voucher programs under this section:

"(1) section 555 (a), (b), and (c), except that local educational agency programs and projects under subsection (d) of this section shall be subject to section 555 (a) and (c); and

"(2) section 556, except to the extent it is made applicable by subsection (c) of this section.

"NONDISCRIMINATION BY PRIVATE SCHOOLS IN VOUCHER PROGRAM

"SEC. 560. (a) GENERAL.—(1) No private elementary or secondary school may redeem a voucher for funds under this chapter if—

"(A) there is in effect a judgment entered by a district court of the United States under subsection (b) (regardless of whether such judgment is appealed) declaring that such school follows a racially discriminatory policy, or

"(B) an order by any United States court of appeals has been made which, by its terms, requires the district court to enter such a judgment.

"(2) No private elementary or secondary school may redeem a voucher for funds under this chapter unless it has filed with the local educational agency from which it seeks to receive such funds a verified statement which—

"(A) declares that such school has not followed a racially discriminatory policy during the previous twelve months;

"(B) indicates whether a declaratory judgment or order described in paragraph (1) has been entered against such school in an action brought under subsection (b); and

"(C) attests that such school had complied with the requirements of section 559(g)(3)(D) during the previous twelve months.

"(3) The Attorney General shall have exclusive authority under this subsection to investigate and to determine whether a school is following a racially discriminatory policy.

"(4) For purposes of this subsection—

"(A) A school follows a racially discriminatory policy if such school refuses, on the basis of race, to—

"(i) admit applicants as students;

"(ii) admit students to the rights, privileges, programs, and activities generally made available to students by the school; or

"(iii) allow students to participate in its scholarship, loan, athletic, or other programs.

"(B) The term 'racially discriminatory policy' shall not include failure of any school to pursue or achieve any racial quota, proportion, or representation in the student body.

"(C) The term 'race' shall include color or national origin.

"(b) DECLARATORY JUDGMENT.—(1) Upon filing of an appropriate pleading by the Attorney General under paragraph (2), the district court of the United States for the district in which a private elementary or secondary school is located may make a declaration with respect to whether such school follows a racially discriminatory policy. Any such declaration shall have the force and effect of a final judgment of the district court and shall be reviewable as such.

"(2)(A) The Attorney General is authorized and directed to seek a declaratory judgment under paragraph (1) against any private elementary or secondary school upon—

"(i) receipt by the Attorney General within the previous one-year period of any allegation of discrimination against such school, and

"(ii) a finding by the Attorney General of good cause.

"(B) For purposes of this section, the term 'allegation of discrimination' means an allegation made in writing by any person which alleges with specificity that—

"(i) a named school has committed a racially discriminatory act against a named student applicant or student within one year preceding the date on which such allegation is made to the Attorney General, or

"(ii) the school made a communication, within one year preceding such date, expressing that it follows a racially discriminatory policy.

"(C) Upon receipt of any allegation of discrimination made against a school, the Attorney General shall promptly give written notice of such allegation to such school.

"(D) Before any action may be filed against a school by the Attorney General under paragraph (1), the Attorney General shall give such school a fair opportunity to comment on all allegations made against it and to show that the alleged racially discriminatory policy does not exist or has been abandoned.

"(i) If an allegation of discrimination against a school is made to the Attorney General and the Attorney General—

"(I) declines to bring an action under paragraph (1) against such school, or

"(II) enters into a settlement agreement with such school under paragraph (4) before such an action is brought,

the Attorney General shall make available to the person who made such allegation the information upon which the Attorney General based the decision not to bring such an action or to enter into such settlement agreement. The Attorney General shall promptly give written notice to such person that such information is available for his inspection.

"(ii) Nothing in this paragraph shall be construed to authorize or require the Attorney General to disclose any information if such disclosure would violate any applicable State or Federal law relating to privacy.

"(3) A district court may declare that a private elementary or secondary school follows a racially discriminatory policy in an action brought under paragraph (1) only if the Attorney General establishes in such action that—

"(A) such school has, pursuant to such policy, committed a racially discriminatory act against a student applicant or student within the two years preceding commencement of such action;

"(B) such school has, within the two years preceding commencement of such action, made a communication expressing that it follows a racially discriminatory policy against student applicants or students; or

"(C) such school has engaged in a pattern of conduct intended to implement a racially discriminatory policy, and that some act in furtherance of this pattern of conduct was committed within two years preceding commencement of such action.

"(4)(A) Prior to, and in lieu of, filing an action under paragraph (1), the Attorney General may, at his discretion, enter into a settlement agreement with the school against which an allegation of discrimination has been made if the Attorney General finds that such school has been acting in good faith and has abandoned its racially discriminatory policy.

"(B) If the Attorney General has entered into a settlement agreement with a school under subparagraph (A) and the Attorney General finds that such school is in violation of such agreement, the Attorney General may—

"(i) notwithstanding paragraph (2)(A)(i), bring an action under paragraph (1) without having received any allegation of discrimination against such school, or

"(ii) bring an action to enforce the terms of such agreement.

"(C) The Attorney General shall give a copy of any settlement agreement which is entered into with any school under subparagraph (A) to any person from whom the Attorney General has received an allegation of discrimination against such school.

"(5) Any district court that makes a declaration under paragraph (1) that a private elementary or secondary school follows a racially discriminatory policy shall retain jurisdiction of such case.

"(6)(A)(i) At any time after the date which is one year after the date on which a judgment is entered in an action brought under paragraph (1) declaring that a private elementary or secondary school follows a racially discriminatory policy, such school may file with the district court a motion to modify such judgment to include a declaration that such school no longer follows a racially discriminatory policy.

"(ii) Any motion filed under clause (i) shall contain affidavits—

"(I) describing with specificity the ways in which the school has abandoned its previous racially discriminatory policy;

"(II) describing with specificity the ways in which such school has taken reasonable steps to communicate its policy of nondiscrimination to students, to faculty,

to school administrators, and to the public in the area it serves;

"(III) averring that such school has not, during the preceding year—

(aa) committed a racially discriminatory act against a student applicant or student pursuant to a racially discriminatory policy;

(bb) made a communication expressing that it follows a racially discriminatory policy against student applicants or students; or

(cc) engaged in a pattern of conduct intended to implement a racially discriminatory policy, and committed some act in furtherance of this pattern of conduct; and

"(IV) averring that such school has complied with the requirements of this section.

"(B) If a motion is made under subparagraph (A), the district court shall issue an order modifying the judgment entered in the action to include a declaration that the school no longer follows a racially discriminatory policy unless the Attorney General establishes that—

"(i) any affidavit provided by the school under subparagraph (A)(ii) is false;

"(ii) the school has, during the preceding year, committed any act, made any communication, or en-

gaged in any pattern of conduct described in subparagraph (A)(ii)(III); or

"(iii) the school has not, in fact, complied with the requirements of subclauses (II) and (IV) of subparagraph (A)(ii).

"(C) Any order of the district court granting or denying a motion made under subparagraph (A) shall be reviewable.

"(7) If a school prevails in an action under this section, the court may award such school costs and reasonable attorneys' fees in such action.

"(8) For purposes of this section—

"(A) The term 'racially discriminatory policy' has the meaning given to such term by subsection (a)(4).

"(B)(i) A school commits a racially discriminatory act if such school refuses, on the basis of race, to—

"(I) admit any applicant as a student;

"(II) admit any student to the rights, privileges, programs, and activities generally made available to students by the school; or

"(III) allow any student to participate in its scholarship, loan, athletic, or other programs.

"(ii) The term 'racially discriminatory act' shall not include the failure of such school to pursue or achieve any racial quota, proportion, or representation in the student body.

"(C) The term 'race' shall have the meaning given to that term by subsection (a)(4).

"(D) The term 'private', as applied to an elementary or secondary school, has the meaning given to such term by section 559(g)(3).".

(2) in section 557—

(A) by inserting in the first sentence of subsection (a) a dash and "(1)" after "such agency shall";

(B) by striking out in the first sentence of subsection (a) the period at the end thereof and inserting in lieu thereof a semicolon and the following: "or (2) provide vouchers to the parents of such children in accordance with section 559.";

(C) by inserting in the second sentence of subsection (a) "and for educational vouchers" after "arrangements"; and

(D) by inserting in subsection (b)(1) a comma and "or from providing educational vouchers to the parents of these children," after "elementary and secondary schools".

(3) in section 558—

(A) by adding a new sentence at the end of subsection (b) to read as follows: "Nothing contained in this subsection shall be construed to pro-

hibit the use of educational vouchers for payments under section 559(c)(2)(i) to a private school or to a public school located outside of the school district in which the child resides, notwithstanding that such payments would have been made from non-Federal sources in the absence of funds under this chapter."; and

(B) by adding a new subsection (f) to read as follows:

"(f) EDUCATIONAL VOUCHERS.—Payments under section 559(c)(2)(i) to a private school or to a public school located outside of the school district in which the child resides shall not subject such private or public school, or the local educational agency for such public school, to the requirements of this section.".

DISCLOSURE OF INFORMATION TO ATTORNEY GENERAL

SEC. 4. Subsection (h) of section 6103 of the Internal Revenue Code of 1954 (relating to disclosure to certain Federal officers and employees for tax administration purposes) is amended by adding at the end thereof the following new paragraph:

"(6) CERTAIN INVESTIGATIONS AND PROCEEDINGS REGARDING RACIALLY DISCRIMINATORY POLICIES.—Upon the request of the Attorney General or the Secretary's own motion, the Secretary shall dis-

close any return or return information which is relevant to—

"(A) any investigation conducted by the Attorney General under section 560(a)(3) of the Education Consolidation and Improvement Act of 1981 with regard to whether a school is following a racially discriminatory policy (within the meaning of section 560(a)(4) of such Act), or

"(B) any proceeding which may be brought under section 560(b) of such Act,

to any officer or employee of the Department of Justice who is directly and personally involved in such investigation or in preparation for such a proceeding.".

CONFORMING AMENDMENTS

SEC. 5. Section 2201 of title 28, United States Code (relating to creation of the declaratory judgment remedy) is amended by striking out "section 7428" and inserting in lieu thereof "section 7408 or section 560 of the Education Consolidation and Improvement Act of 1981.".

EFFECTIVE DATE

SEC. 6. The amendments made by this Act shall take effect on July 1, 1984.

Mr. MILLER [presiding]. The Subcommittee on Elementary, Secondary, and Vocational Education of the full Education and Labor Committee will come to order.

This morning the Subcommittee on Elementary, Secondary, and Vocational Education is conducting a hearing on the administration's education voucher proposal. This proposal was submitted to Congress on March 17, and would amend chapter 1 of the Education Consolidation and Improvement Act, the Federal program educating disadvantaged children.

Under the plan, a State or local school district could use its chapter 1 funds to give vouchers to parents of educationally deprived children, to be used to pay for the cost of education at a private school or public school outside the district.

We are pleased to welcome the Honorable Terrel H. Bell, Secretary of Education, to explain this proposal. We will also hear from other representatives of the education and research communities.

Secretary Bell, let me welcome you to the committee, and let me give you our apologies for Chairman Perkins, who unfortunately has been called back to his district, and my apologies for being a few minutes late.

Your full statement will be placed in the record in its entirety and you may proceed in a manner that is most comfortable to you.

STATEMENT OF HON. TERREL H. BELL, SECRETARY OF EDUCATION, U.S. DEPARTMENT OF EDUCATION, ACCOMPANIED BY GARY L. BAUER, DEPUTY UNDER SECRETARY FOR PLANNING, BUDGET AND EVALUATION, AND LAWRENCE F. DAVENPORT, ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION

Secretary BELL. Thank you, Mr. Chairman. If I may, since my statement is only three-and-a-half pages long, and double spaced, I would like to present it.

Mr. MILLER. That's a good statement, Mr. Secretary.

Secretary BELL. Ordinarily I don't do that.

I am pleased to be before you today to present the Equal Educational Opportunity Act of 1983. It was introduced and it has a number, H.R. 2397, as of yesterday. This is the administration's proposal to permit State and local educational agencies to utilize chapter 1 of the Education Consolidation and Improvement Act for voucher purposes in situations where parents and school officials agree that such action would be desirable.

With me today is Gary Bauer, on my left. He is Deputy Under Secretary for Planning, Budget, and Evaluation. And Dr. Lawrence Davenport, who is Assistant Secretary for Elementary and Secondary Education, is on my right.

This act is a simple measure to introduce more flexibility into the elementary and secondary education system of this country and, with the approval of school officials, to give the parents of educationally disadvantaged children the same choices that other parents have in selecting a different and more educationally advantageous school program for their children. This administration believes that parents of disadvantaged children should be able to ex-

ercise effective choice, through vouchers. The more options we can provide, the better.

At the present time a child eligible for chapter 1 services is usually limited to the programs available at the particular school serving the area where the child resides. There may be situations where parents would prefer another school setting. Under our proposal, in circumstances where the State educational agency or the local educational agency elect to offer the voucher option, parents could apply to transfer to another school setting—either another private or public school. The Federal funds would be available for a voucher to follow the child. Chapter 1 funds would continue to be distributed to the local districts under the current program formula.

Under our proposal, a State educational agency could require that all local educational agencies within the State offer a voucher program. If vouchers are not required by the SEA—if LEA's are not required to offer that option—the decision to use chapter 1 funds for vouchers would be left entirely up to each LEA. Subject to any minimum SEA requirement, local school boards and administrators would decide on how to structure the voucher program; whether to distribute vouchers to parents of all chapter 1 children, to some subset of these parents—for example, maybe chapter 1 children at a particular grade level, or, for example, in a small district, where they don't have enough children to make a good program—or only to parents of chapter 1 children who request a voucher.

In any case, the voucher could then be used for participation by the child in a compensatory education program operated within the school district, for enrollment at a private school, or for enrollment at a public school located outside the local district.

This voucher concept is not new to Federal education aid. It has been used successfully for many years in other programs. Currently, through our student financial aid programs, we place great emphasis on both access and choice in higher education. We not only permit, but we encourage options, to select public or private institutions in higher education. Parents and students are given a choice among institutions, and the Federal funds are made available for a voucher in the form of a Pell grant which we are all familiar with.

Additionally, the GI bill has also long operated on the basis of student choice among institutions. We seek similar opportunities for the use of funds for educationally disadvantaged elementary and secondary students as the Federal Government has offered for many years for use of its funds in higher education.

In addition, we now provide Federal assistance for placing handicapped children in the best educational setting. The choices available include placement in private schools. If it is determined that a private school would be the appropriate educational setting for the child, then that option can be exercised under current law. Federal funds may be used to support individualized education outside the local school. In providing additional options, our proposal would offer some benefits to disadvantaged children under chapter 1 similar to those that we provide to handicapped children under Public Law 94-142.

A description of two additional provisions may answer some of the questions that some may have about this bill. First, the bill would require the local education agencies implementing the voucher option to continue to provide compensatory education programs for voucher recipients who remain in the schools of the school district, or for chapter 1 students not selected for participation in the voucher program.

I might just interrupt my formal presentation to say that the LEA could grant only one voucher or it could grant several, or it could elect to grant none. It would be up to the LEA. Thus, the bill would not be a vehicle for elimination of chapter 1 compensatory education services to the disadvantaged.

Second, the bill specifically states that a voucher could not be used to attend a school that maintains racially discriminatory policies. A set of procedures and remedies, comparable to those in the administration's tuition tax credit bill, are set forth to insure that this prohibition would be effective. Thus, it is simply not true that vouchers would be used to increase enrollments at private schools that discriminate on the basis of race, color, or national origin in admissions, financial aid, or other policies.

I might add that we also know that school districts that are under Federal desegregation court orders or other mandated plans would have to comply with those orders, and they would have to restrict their approval of voucher options to be sure they remain in compliance.

So we believe, Mr. Chairman, that enactment of this act would lead to a significant improvement in educational opportunities for educationally deprived children by offering a wider range of choices to parents and students. The Voucher bill would enhance the diversity and, hence, the quality, of American education, and it would provide the options that are available in the other federally funded education programs that I mentioned earlier.

Also, as I stated earlier, implementation of the voucher program would be left entirely to the discretion of State and local authorities. In no case would the Federal Government demand that States or localities issue vouchers. School districts which run successful chapter 1 programs—and there are many such districts—should come under no pressure from Washington to alter their programs. By vesting the decisions to conduct a voucher program in the LEA or SEA, we leave the matter under the control of those who should make these decisions. So the LEA could issue as many vouchers as the situation merits, or as few or none, as they would decide. Without otherwise tampering with the program, this legislation would provide wide choice and opportunity for more appropriate educational placement.

I have appreciated the chance to make that statement, Mr. Chairman, and we would be happy, my colleagues and I, to respond to questions.

Mr. MILLER. Mr. Secretary, am I to assume from your statement that this proposal is, in fact, no comment on the chapter 1 program itself?

Secretary BELL. It is not.

Mr. MILLER. I assume you would continue to stand by, your most recent evaluation of the program, that basically the program is well run and well targeted?

Secretary BELL. Yes, sir. I think the facts lead us to stand by that.

Mr. MILLER. Am I correct in understanding that a local education authority would have the ability to determine the number of vouchers that it would grant?

Secretary BELL. Yes, that would be left up to their determination. They could grant only one voucher in a particular case, for instance where they had a gifted and talented child, and the educational program wasn't meeting that child's need, where placement in another district which had a gifted and talented program, or in a private school which had it, would more adequately meet that need. We would encourage that kind of option and the individualized planning that we now have with Public Law 94-142 with respect to handicapped.

It could be one or it could be several, or it could be a large number. Our proposal would leave it up to the local authorities.

Mr. MILLER. What about in the instance where, let's assume, you have 500 students and you have a number of private schools in the area—and I guess now would be the time you would be applying for next fall—and disadvantaged students make application to those schools and 200 of them are accepted. The family may be making that application conditioned on the fact that it would carry with it some financial help in placing their child in that school.

What does the school district do then?

Secretary BELL. The school district would be totally in control. They could still not permit any of them to move to the new schools unless they wanted to. It would be pretty much like it is now, Mr. Chairman, with Public Law 94-142. The local education officials and the parents of the children would have to concur before this would happen.

Mr. MILLER. I am just trying to think of what actually takes place at the local level. Obviously, I think in every school district there would be a certain number of parents who would desire to exercise this option if it was available. Does the school announce that there is going to be 50 vouchers available? You know, I am concerned.

I appreciate that the local school district is in control, and I think they properly should be. But I question how this is implemented with respect to who will get it.

You mentioned gifted and talented, but there are also many disadvantaged students, economic and otherwise, who are eligible for chapter 1 funds. How the school makes that determination and whether at some point the school has to determine if they can only allow 25 vouchers because if they go beyond that and cut their programs resources it, in fact, would be diminished.

You can answer the question, but I would think it would be hard to argue that an awful lot of school districts around the country receive chapter 1 funds. It would be hard to argue that you could allow three-quarters of those students to leave and maintain a quality program for the one-quarter who remain.

Secretary BELL. I guess it would depend upon the situation. If it was a tiny school district——

Mr. MILLER. Or a large school district.

Secretary BELL [continuing]. And they didn't have enough resources, then it might be that in that exceptional case the limited number of chapter 1 children would be better off in a neighboring school district where they had a good program. But we don't envision that there will be any particular number. It will be up to the local school authorities. They need to set a deadline to apply for an opportunity to choose another education setting. There would need to be a meeting of the parents and the local school officials, much like we now have with the individualized education plan developed for the private school children, and then the decision could be made on a case-by-case basis as to how it ought to be approved and whether it should or whether it shouldn't.

Mr. MILLER. What would this voucher be worth?

Secretary BELL. It would be worth the amount of money per child that the school district gets under this program.

Mr. MILLER. Do you have any idea of what would be the typical figure?

Secretary BELL. The national average—Dr. Davenport?

Dr. DAVENPORT. It is $525.

Mr. MILLER. And would it be anticipated that this would be subtracted from the tuition that might be charged at a private school? If the tuition was $1,000, the parent would pay $475?

Secretary BELL. It would go to help pay the costs.

Mr. MILLER. Well, would they still charge the $1,000 tuition? I mean, would that be a "bonus baby"? This is a $1,500 child instead of a $1,000 child?

Secretary BELL. The parents who apply to have their child admitted to another school—suppose it's a school in a neighboring district that has a unique program—the parents would apply and it the child were admitted, the parents would then bring their proposal to the local education agency. Then the LEA could weigh the matter and decide whether to approve it or not. The best parallel I could give is what goes on now with Public Law 94-142.

Mr. MILLER. Well, explain to me what goes on there. I mean, if I understand correctly, it is not just a question of whether the student or the parents makes a determination to move to another public school district. They may make the determination to move to a private school; is that correct?

Secretary BELL. That's correct.

Mr. MILLER. But in terms of following that money and following that student, if the student applies to a private school in the area, is that student still charged the full tuition, or is the amount the voucher is worth in the district that the student is leaving subtracted from the tuition?

Secretary BELL. This would be a matter to be negotiated between the LEA, the parent, and the school to which the parent was applying for admission. They would have to weigh the tuition charge, or the fee, whatever the charge was, and it might be that a school would admit the child for $525. It might be that they charged $1,000 tuition and the parent would have to come up with the difference.

Mr. MILLER. This is all first impression so we will wait awhile. But wouldn't we want to know that at the Federal level? I say that very seriously. Conceivably, if you had a substantial participation in the program at the local level, you're talking about a substantial—what is chapter 1 worth?

Secretary BELL. It is in excess of $3 billion.

Mr. MILLER. Three billion dollars. If a third of the people took up the opportunity, you're talking about a billion Federal dollars that may not necessarily stay in the public sector. You have made the determination that that is not terribly relevant, that what you are looking for is educational opportunity. Fine. But as the board of directors, don't we have some interest in exactly what is going to happen to that dollar? Because if we find out, in fact, that tuitions have not been offset and this is simply a grant of $525 to the private schools, we want to know that. If it is an offset to tuition, I think certain Members of Congress would be interested in that.

I appreciate that the local districts are going to have the choice. I would just like to know what the choice is.

Secretary BELL. Well, the situation isn't unlike what we have now with respect to the other Federal programs that I cited.

Mr. BAUER. Mr. Chairman, I think to some extent the hypothetical situation you are raising is unlikely to happen, given that if the parents of an educationally disadvantaged child could afford the tuition being charged at a private school today, they would probably already be trying to send the child to that school, if that was a school they desired to send the child to.

The fact that——

Mr. MILLER. Let me stop you. I don't want to become argumentative about this, but I would suspect that there are many children in urban school districts who are going to private schools who, had they been in the public school, would have been counted for purposes of participation in chapter 1, but their parents made whatever extra special effort it took to get the child into private schools. So it is not apples and oranges. It is oranges when they start to leave that public school for the private school.

Let me just use the urban example. In San Francisco or Washington, D.C., there are a fair number of low income children who are going to private schools either because the school offers some scholarship or some financial help, or the parents have made whatever arrangements they could make for those children to attend. They would have been chapter 1 eligible had they remained in the school. So it is not unlikely that those would be the same children who might take advantage of this opportunity.

Secretary BELL. That's correct.

Mr. MILLER. So I am not so sure that what I am proposing is highly unlikely.

Mr. BAUER. I thought you were raising the specter of an individual student in a public school who would take the voucher and go to a private school and find that the tuition at the private school was just as high as it was before he received the voucher; thus, the private school would be receiving some sort of windfall from the participation of that student. I would think that to the extent that private schools would do that, the parents of those children would be denied access to private schools because they would find the tu-

ition just as high as it had been before and, thus, their options would be limited to other compensatory education programs and other public schools, other than the one they are currently attending.

Mr. MILLER. But it is not prohibited because, in fact, parents in that income group do have some children in private school. If you look at the makeup of parochial schools in urban districts, there are low income, moderate income, high income children in those schools.

Mr. BAUER. Yes.

Mr. MILLER. So if the tuition does remain the same, there are, in fact, parents who could take advantage of it. In fact, the schools might invite them in if they could get both tuition and the chapter 1 grant, too.

I think we have to know what the requirements would be, whether or not, in fact, the tuition would be reduced or what the various options are that would be available under this proposal. This involves a lot of money.

Mr. BAUER. As you know, we leave a great deal of flexibility to the localities now in dealing with chapter 1. There are 16,000 school districts and I think we would be hesitant to try to draft up specific regulations that would apply to all 16,000 school districts. In fact, we trust local school officials to make the appropriate decisions when dealing with their own children.

Mr. MILLER. Which school districts did you meet with in terms of determining that this was a good proposal?

Secretary BELL. We have not met with specific school districts. We have discussed the need for flexibility in chapter 1 the flexibility that we are providing in other Federal education programs, where we provide choice. Many educators that I have talked to have expressed concern about the rigidity of chapter 1. In my own experience as a school official on that level, I have felt we didn't permit chapter 1 funds to follow the child. I felt it was unusual that we had this provision in chapter 1, that the funds can't follow the child, but we don't have that restriction in Public Law 94-142, for example, and other programs that we have.

Mr. MILLER. I am not clear, but I don't remember the arguments over chapter 1 funds following the child, that anybody is suggesting the chapter 1 funds shall follow the child right out of the public school district. I don't remember that being part of that debate.

I think it would be very helpful for you to tell us, either now or later, of the educators and the school districts, or State school officers, people that have been involved in this decision. I am interested in how the burden of proof was met that led to this legislative initiative. If it simply came from you and the administration, that's fine, too. But I think it is important because there is a suggestion in the proposal that the local school districts are going to embrace this and think this is a good idea. I just find the outflow of funds somewhat inconsistent with what local school districts are telling this Member of Congress they are able to withstand. I think it would be important to know who is advocating this proposal.

Secretary BELL. I should emphasize that I could not read a list of school systems that have been pressing me for this program. I am relating to conversations that I have had with different school

board members and school superintendents and others that have just remarked that this program is more rigid than Public Law 94-142.

We encourage individualized education plans and individualized placing in the most advantageous setting for a handicapped child, and all we are doing, Mr. Chairman, is asking for that same opportunity for a disadvantaged child. I can't understand why it is a good thing for the one child and not for the other.

Mr. MILLER. Let me just say that I think we have an obligation, as Members of Congress, to look at it from all different angles. We are talking about a major alteration of a $3 billion program, a $3 billion program which most audits have suggested is successful, amd been a factor in raising test scores of disadvantaged children, that has provided the resources and helped these children to read better and compute better. Each audit more or less has said that. It has had its troubles from time to time, but basically it's a good program.

If we are going to make a major alteration in that program, I think I would like to know who the advocates are. I mean, if this is based upon anecdotal conversations, that's one thing. If it is based on hard study and suggestions that this would lead to certain results, that's another. I think we have to be concerned about the basis upon which we would open this program up to 16,000 different determinations about how the resources for disadvantaged children, that are basically working today would be treated. It is very important that we know. And I think it is very important that we recognize the authorities on the pro side, who they are and what they are saying, and the basis on which they are providing evidence, and those on the con side, so that we can make some kind of intelligent determination, if we are ever to arrive at the same conclusion the administration has about this program.

There is no argument about the goal of making sure that each and every child has the best educational opportunity available to them. The question is, Is this proposal going to achieve that goal, or is this proposal going to go half way, a third of the way, or is it going to fail? I think that is what is important for us to know, because, again, this is not a minor alteration; this is not a technical amendment to chapter 1. This is a major redirection and a major change in how the deployment of those resources will take place.

Secretary BELL. We acknowledge it is a major change. We just emphasize it isn't unprecedented and we cite these other precedents that were given in our testimony. I would assume that the committee members will all be hearing from your constituencies and that this committee will be hearing from other school officials on the matter.

Mr. MILLER. We will. We will. I also suggest it is very important for this committee to understand the underlying evidence upon which the conclusion was reached by the administration in putting forth its proposal. It is easy to come up here, if you weren't involved in the process, and take pot-shots at it if you don't know the evidentiary base upon which the decision was made.

Secretary BELL. I think the prime evidentiary base is the success of Public Law 94-142, which we all know has been successful.

Mr. MILLER. This is the law this administration was going to repeal, right?

Secretary BELL. We have all had this empirical experience with it up to this point. So the fact that this kind of individualized placement opportunity is made there and that we have had nationwide experience with it is the best evidence that I could cite right now.

Mr. BAUER. Mr. Chairman, we would also be happy to supply for the record some public opinion polls, not of local school officials but of parents, who rank choice in education near the top of the list of what they desire for their children. This is particularly true of the parents of low-income students who are served by the chapter 1 program. We did not poll local education agencies, but in this proposal the Secretary has tried very hard to be responsive to what we see as parental desires in this area.

Dr. DAVENPORT. Mr. Chairman, I guess what I am troubled by is what appears to be a lack of confidence in the parents of the child to make an intelligent decision about what they want for their child——

Mr. MILLER. No, no, no. Don't start that.

Dr. DAVENPORT [continuing]. To be able to go to a private school or public school, to make that decision.

Mr. MILLER. No, no. Don't start that. Don't characterize my statements. That is not it at all.

We must understand the evidentiary base upon which the decision was reached, to move a $3 billion program from district to district, from the public sector to the private sector. Until we have the evidence to be scrutinized, that can be either agreed or disagreed with, it is a little bit difficult to change a $3 billion program simply on the basis of desire.

As I said, there is little or no disagreement with the goal. It is our obligation to find out whether or not this proposal will help obtain that goal. I am a little suspect when you suggest that this proposal is based on the overwhelming success of Public Law 94-142, when this administration has suggested the repeal or the block granting of that program. You know, I am paid to be a little bit skeptical, not to be disagreeable but to be somewhat skeptical. Let's find out what the evidence is.

We will ask the same question of the other witnesses that come before us: what is the basis upon which they arrived at their support or opposition to the proposal.

Dr. DAVENPORT. I would just say in passing, Mr. Chairman, that I think when we try to make educational choices for children, then we should have faith in the State departments of education and have faith in LEA's, without questioning their competence because those are the closest levels that make decisions that affect students today. We have faith in the chapter 1 program overall. As you know, we have proposed $167 million additional to the LEA's for the program. We have complete confidence in the local decision-making authorities.

Mr. MILLER. But not blind confidence.

Dr. DAVENPORT. Blind confidence, I——

Mr. MILLER. You wouldn't make the general statement that all those who are closest to the situation make the best decisions?

Dr. DAVENPORT. No more than I would say that all of those who are in Washington make the best decisions.

Mr. MILLER. Correct. That is why we try to be skeptical and that is why we question those in Washington who make the decisions.

Mr. Hawkins.

Mr. HAWKINS. Thank you, Mr. Chairman.

Mr. Bell, it is very difficult to take this proposal seriously. You have not indicated who is actually advocating the proposal—other than the White House, I assume.

Do you have any advocate in the educational field, among the parent organizations?

Secretary BELL. As I indicated to the chairman, the advocacy that I have had has been more the expression of a concern about how rigid chapter 1 is, the fact that we don't allow parental involvement and choice in chapter 1 as we do in our other big program, Public Law 94-142. This bill would place the decisionmaking largely as it is with Education for the Handicapped now.

I wouldn't want to tell the committee that I have had an enormous groundswell of demand and pressure from school districts for this proposal, but it also wouldn't be fair to say that it is an unprecedented proposition, because the other programs that we have give more opportunity for choice and parental involvement than we have in this program.

Mr. HAWKINS. You still haven't named a single advocate, other than to repeat your general statement. But let's leave that apart from this debate. It's a little difficult to try to reach out and find someone to support it. At least none of us have seemed to identify anyone.

Isn't it rather strange, however, that at a time when you yourself concede that chapter 1 is beginning to succeed, and at the same time that the administration is reducing the money for that program, that you would at that same time attempt to make rather drastic changes in it, which are certainly unprecedented. You can't give one advocate, you can't give one precedent of a school district that has operated anything near this as a program upon which to build any type of a proposal.

As I understand it, none of these conditions has been met. Yet you are asking us to take it rather seriously. I can't quite understand it.

Secretary BELL. Mr. Hawkins, I wouldn't say that chapter 1 is beginning to succeed. I would say that it has been successful for a number of years, so I wouldn't want to say it is just beginning to succeed, nor would I acknowledge that we're proposing to cut chapter 1——

Mr. HAWKINS. Well, let's not quibble over the words. I will be——

Secretary BELL [continuing]. Because our budget proposal this year does not propose any reduction in chapter 1 appropriations.

Mr. HAWKINS. Is it not true he is asking for a rescission of title 1 money?

Secretary BELL. The rescission is for the funds that were appropriated a year ago, to hold harmless those LEA's that would have been cut back in the transition from the 1970 to 1980 census.

Mr. HAWKINS. Well, let me agree with you, that in my opinion chapter 1 has been succeeding, rather than is beginning to succeed. I am glad that you made that particular correction, which certainly builds the argument more so for not making any drastic changes of this nature. It would seem to me, rather than changing the program and giving the options that you indicate, why not superimpose those options on what is already succeeding? In other words, make them an addition, not a subtraction, to the program that you yourself say has been highly successful, has been succeeding for a long time.

If you wish to experiment, would it not be better to provide additional money on which to experiment, as we did some years ago? My understanding is that all the experiments did fail in the very program that you are advocating. But if you want to try it again and make a new beginning, why not make a new beginning with some new money and not disturb a program that is already in place.

Secretary BELL. I don't see where we would be disturbing the program if we add this additional option that we are proposing to you. All we are doing is offering this opportunity for more parental choice, with the approval of the LEA.

Mr. HAWKINS. Let us take the option. Let's say some parents would exercise the option to send their children to private schools, and others would send their children to schools outside of the district and so forth. What you are doing then, in effect, you are dissipating money which is already inadquate, you are dividing it up.

Now, let's assume that in the public schools within that district that is receiving money under chapter 1, that the number of enrollments is decreased so badly that some services cannot be provided in that school district; then would you not be depriving those children of the services which they are entitled to because of the loss in enrollment in that particular school?

In other words, aren't you, in effect, providing too little money up into various programs, none of which would have sufficient funding in order to actually succeed? Do you not see that as a possibility?

Secretary BELL. No, we don't see our proposal as doing that. First of all, if an LEA had a huge enrollment of disadvantaged children, they would come in under the formula for quite a lot funding. Besides that, if they didn't want to grant a voucher of $525 for each of those who would leave, they could deny that. So it leaves the control entirely up to the LEA. We don't think we would be dissipating the resources any more than we are doing now with the Federal money for the handicapped. We permit that very thing to happen.

Mr. HAWKINS. I know that in some schools you have special services, you have special teachers, who obviously must have a certain number of students in order to provide that particular service. If you reduce that number, then it is highly possible that you would either be wasting the money paid to that instructor or else it would be decided that the program is too costly and therefore you could not afford that special teacher.

I have seen this happen, and I am sure that you have as well——

Secretary BELL. Of course. And if that were to be the outcome, then the superintendent and the school board could say "we are not going to exercise this option at all." Or "we will only do it in the case of this one particular child, where we think it is justified." Or "we'll do it in two or three cases." It just leaves the option totally up to them.

Mr. HAWKINS. Well, let me get to one or two more specific items in the actual proposal that we received this morning.

On page 5 you said the voucher is not Federal assistance, that payments made by local education agencies to a private school or another local educational agency, pursuant to an educational voucher, et cetera, shall not constitute Federal financial assistance to the local educational agency. You legislated that it is not financial assistance.

Then in the latter part of the same paragraph you say the school receiving funds under this can exchange the voucher for the Federal assistance. In other words, have you not set up an actual impossible situation. In one breath you say it is not Federal assistance, and yet you allow the voucher to be redeemed for Federal financial assistance.

Secretary BELL. Mr. Bauer.

Mr. BAUER. Mr. Hawkins, the point we were trying to make there is a legal distinction. We see the voucher program to be comparable to the Pell grant program in higher education. That grant as you know, can be used by a student to go to a private school or religious school without raising any constitutional problems. It is, in fact, a grant from the Federal Government to an individual to be used at a university, whether it is a private university or not. It ends up being used to assist the individual.

We are indicating that this program should be perceived legally from the same standpoint, and we don't perceive any sort of constitutional problem with this money being used by parents at schools that might have a religious orientation.

Mr. HAWKINS. Well, it would seem it is a legal monstrosity if you say it isn't financial assistance, and then can be redeemed for financial assistance. I don't see how you can get around the fact that it is financial assistance and should be treated as such.

Mr. BAUER. Well, no more of a legal monstrosity than the Pell Grant program, Mr. Hawkins, in which a student can take a Federal grant from the Government and go to a private religious school.

Mr. HAWKINS. It seems to me that you're trying to avoid the constitutional prohibition against it. It just seems to me that merely legislating you can't do that.

As to the enforcement of the antidiscrimination phases of the bill, my understanding is that under the program the Attorney General will be authorized to do so; is that not so?

Mr. BAUER. Yes, it is.

Mr. HAWKINS. Do you give to the parent the right to sue?

Mr. BAUER. Yes, there is a parental right to sue.

Mr. HAWKINS. That is included on what page? I have page 9.

Mr. BAUER. I may not be able to readily find the page number. We would be happy to give that for the record.

As you know, the bill is 18 pages long and 11 pages of that deals with the civil rights issue and gives both protections to parents and

powers to the Attorney General in order to make sure that Federal money is not used to send children to schools that discriminate.

Mr. HAWKINS. In what way do you deal with the question of intent to discriminate? Does that set up an exemption?

Mr. BAUER. I don't believe we specifically address the intent question. The discrimination provisions in the bill are identical to those in the tuition tax credit proposal that we sent up, which was changed after a variety of negotiations on the Senate side with both Republicans and Democrats.

The provision in the tuition tax credit bill was one that was arrived at as a consensus provision, that both Republicans and Democrats on the Senate Finance Committee felt addressed the discrimination question adequately. So rather than reopen that whole issue, we basically adopted verbatim the language in the tuition tax credit bill for the voucher legislation.

Mr. HAWKINS. Do you affirmatively deal with the question of effect as opposed to intent in the bill?

Mr. BAUER. I don't believe we get into those legal terms of art in the legislation, but I would be happy to provide a legal opinion, as to how we handle that, for the record.

Mr. HAWKINS. It seems to me, before this thing even gets started, you should be able to answer specifically and definitively those questions which the courts have dealt with. When you speak of provisions against discrimination, you really haven't started to deal with them.

Mr. BAUER. Quite frankly, Mr. Hawkins, given the large numbers of minority children that are currently covered by chapter 1, we believe the chances of this legislation being used in any way in a discriminatory manner are virtually nil. In fact, we see it as quite the opposite, that this is going to provide to the parents of minority children the educational opportunity to attend schools that they might not otherwise attend because of financial barriers. So, if anything, we think it will probably aid integration in our school systems.

Mr. HAWKINS. Well, the chances of this bill even getting started, I say are pretty nil.

Mr. BAUER. I sense the skepticism, Mr. Hawkins.

Mr. HAWKINS. Thank you.

Mr. MILLER. Mr. Gunderson.

Mr. GUNDERSON. Thank you, Mr. Chairman, and thank you, Secretary Bell, for coming up here.

I would like to particularly compliment the administration and you on providing as much flexibility as you have in this proposal. I suspect that a large number of my school administrators who originally were opposed to the concept would find it far more palatable once they find out the flexibility that presently exists in the bill.

When we talk about support for this particular concept—and I am not ready to endorse or reject the concept today—I think that is the purpose of the hearing, but did not the President's Advisory Panel on Financing of Elementary and Secondary Education make some recommendations in this area?

Secretary BELL. Yes. Their voucher proposal would be more far reaching than ours. It wouldn't require LEA approval. It wouldn't have the limits in it that ours has. It would be much more far

reaching and sweeping than ours. It would just give authority on a blanket basis. I felt that maybe that would be too radical a change.

Mr. GUNDERSON. So you rejected the Advisory Commission's recommendations on the voucher——

Secretary BELL. Well, I felt the recommendation that we allow the parental choice was a good one. But I felt we ought to make that decisionmaking subject to the local school authorities' discretion and jurisdiction.

Now, that report didn't treat that issue in detail. We felt that we ought to leave implementation to the discretion of the LEA's. Mr. Hawkins, in his questions, pointed out a good reason for making the program optional, when he mentioned that it might be that, if you had a blanket approval, you could take large numbers of students and therefore large numbers of funds out of the program. We think we need to leave that totally within the discretion of the local school board and superintendent, or we could have some far-reaching circumstances that I don't think would be desirable.

Mr. GUNDERSON. Again, for the record and to understand clearly, you are saying that nothing will ever happen in a voucher system in any school district in the country that has not been chosen to happen by that local superintendent and school board of that district?

Secretary BELL. That is correct, Mr. Gunderson. They would have total control.

Mr. GUNDERSON. Could the State come in and make any requirements to that district, or not, under your proposal?

Secretary BELL. The State could require that all LEA's offer the voucher opportunity, but that doesn't mean that a State need require that all chapter 1 children would have to receive a voucher.

It is a bit like the issue that is now going on in the courts over whether or not 94-142 requires summer school programs for handicapped children. The courts have found that the States cannot, in a blanket way, require that all LEA's offer summer school, nor in a blanket way, can statewide policy prohibit it. So that provision is in there in like manner to meet a similar situation.

Mr. GUNDERSON. Would you be opposed if we eliminated the requirement that the State education agencies may require LEA's to offer the voucher program, so that we made it a totally local flexible——

Secretary BELL. Yes, we would be amenable to discussing any changes to improve the bill and to enhance its possibilities for enactment. We are not here with this proposal with any kind of a take-it-or-leave-it attitude.

We know that the proposal is going to be scrutinized and going to be debated. I think the initial publicity that came out and appeared in the newspaper, before we had our proposal put together, did a lot of harm. I suspect that maybe the use of the word voucher, because of how it has been used in the past, caused the bill to be a bit misunderstood.

So, in response to the specific question, we would surely be willing to talk to the committee, and if that SEA provision in there is a problem, then we would be willing to discuss a change.

Mr. GUNDERSON. I must admit that I have been one of those people who initially took a fairly negative perspective on this pro-

posal. And as you were testifying today, I was trying to create in my mind a situation where a local school district would probably use the voucher system. I think initially, with the financial problems that the school districts are facing, even in chapter 1, that there is not going to be an incentive to give some of that money away except in most unusual circumstances.

I came up with a school district in my congressional district, a very small community, in which I think it is fair to say that approximately 75 percent of the young children in that community attend the Catholic grade school, so their enrollment at the public elementary school is very, very small.

Is that the concept in which you are dealing—that you would provide that local public school the opportunity, in terms of numbers, in a voucher system to use the program—in other words, to allow the vouchers to go to that private Catholic school for the chapter 1 program? Is that the concept behind it, or not?

Secretary BELL. It could be that one of the children in the chapter 1 program in the school district that you mention is a disadvantaged child because of income level and background and so on, but is also a very bright and precocious child with a lot of opportunity to learn. That child maybe ought to be placed in a more challenging educational environment that could be offered in a particular school. In that instance, at the present time, if that child were placed in that school, you have to give up the chapter 1 funding. But under this proposal, in that particular school district, they could, on an individual basis, approve a voucher for that child, or they could make arrangements for larger numbers of their children to participate.

There is a lot of flexibility in the proposal.

Mr. GUNDERSON. We talked earlier about the whole question of a private school abusing the voucher, in essence, by charging tuition higher than they normally would charge for education services, et cetera. Would you anticipate regulations that might address that type of an issue in implementing this program, or not?

Secretary BELL. Again, as we examine that, if that is a problem and if that is a concern of this committee, then we could take a look at that, either by regulation or by looking at our draft of the statute.

Mr. GUNDERSON. Finally, exactly what authority do the parents have in a situation where a local education agency has adopted a voucher system under your proposal?

Secretary BELL. The parents would have an opportunity to apply to the school district to receive a voucher for the purpose of placing their child in another school setting, either in another public school or another private school.

Now, if the LEA said no, then, of course, the parent would not receive a voucher. But at the present time they don't even have the opportunity to ask because the funds have to be spent by the LEA in the schools of the LEA.

Mr. GUNDERSON. So even if you have a voucher system in a local education agency, that LEA still has the right to control who gets vouchers and how many are——

Secretary BELL. Yes, under our proposal they would have the final say.

Now, as you look at the bill, and as you consider it, if there are areas there which we need to strengthen, we are willing to talk about it.

Mr. GUNDERSON. One final question. You suggested in your answer to a question by the chairman that you agreed with him that this was a significant change in chapter 1. I am not sure it is.

If I recall correctly, school districts right now can either contract out or go into cooperative agreements to provide chapter 1 services. I think that is happening in my home school district. Is that correct, or not?

Secretary BELL. I would like to ask Dr. Davenport to respond to that. He is the assistant secretary in charge of the chapter 1 program.

Dr. DAVENPORT. Basically, yes. I would like to provide more information for the record on how it works.

Mr. GUNDERSON. Okay.

Mr. BAUER. Mr. Gunderson, I think, to the extent that we agreed with the statement that this would be a drastic change, we were thinking specifically of the fact that it is the first time we really have tried to aim the program at the wishes of parents, first and foremost. We think, to the extent we are trying to do that, that is really a drastic change.

But I think you are probably right; in another way it isn't, given that this program can't be put into place at all unless an SEA or LEA takes the opportunity to put it into effect. We don't envision a massive nationwide movement to implement this program because, as the chairman said, there hasn't been a great groundswell from local school officials to do this sort of thing. But we would envision that there would be some school districts out of the 16,000 that would find that in their own specific area it makes sense to try it. We would hope that if they do that and if they come up with some good results, that that would provide information that the Congress in its wisdom could consider in thinking about whether they want to do something greater with the voucher approach in the future.

Secretary BELL. Suppose we only had 15, 20, or 100 districts. We could at least observe that experience and appraise it. I think I agree with Mr. Bauer, that I don't think there is going to be a massive movement in this direction. The option is there and in the universe of school systems we think some would want to begin to work with it and experiment with it.

Mr. GUNDERSON. My thoughts would be that this would not be something used by the majority of students in the program, but would be for that student with rather exceptional needs in chapter 1 where the local program is unable to address that student's needs. Then you would have a desire by that local administration to voucher out that particular student to a school where he could get more specialized assistance.

Is that the concept?

Secretary BELL. Yes. I suspect that is what it will be, actually.

Mr. GUNDERSON. Thank you.

Thank you, Mr. Chairman.

Mr. MILLER. Mr. Kildee.

Mr. KILDEE. Thank you, Mr. Chairman.

Mr. Bell, it is good to have you here again.

Your great concern for parental involvement is very touching to me, but it was the present administration that abolished the mandate for parental advisory councils in this very program. There seems to be a little contradiction there. Just recently, for example, in a technical corrections bill, I offered an amendment, which was carried here in this committee, to restore parental involvement guarantees to some extent. I wish your concern for parents had been as strong when that was abolished as it is now.

Secretary BELL. Well, I hear you on that zinger, if I can call it that.

Mr. KILDEE. It is a zinger; right.

Secretary BELL. What we wanted to avoid was mandating, requiring parental advisory councils. We don't prohibit them. We just felt the Federal Government hadn't ought to require them. We ought to leave that up to the LEA and, if it is good concept, they will use it. We strongly support local and State control, so we felt this was another provision, another mandate in the Federal statute, that shouldn't be there.

Mr. KILDEE. But we do set some standards in many other programs. We set standards for programs in the Defense Department and at HHS, for example. So there is a precedent for a Federal role in this area.

You know, the old saying, if something works, don't try to fix it. I recognize that there have to be modifications with the thought that we can improve on all programs, but the parental advisory council requirement was working quite well just as title I is working well. I am baffled by the fact that you're trying to fix it when it has been working quite well.

Secretary BELL. We would acknowledge that title I is working very well. I wouldn't want to imply in any way, that it is not, and we are not coming here proposing this voucher program believing that the current program hasn't been successful.

The point I wanted to make is that we don't think it is so perfect that it can't be improved, and we think that the flexibility that has worked so well in education for the handicapped is something that can also work in chapter 1.

Frankly, I know we are swimming upstream with this committee on this, and would just like to plead with you to be—I don't want to imply this in any pejorative way—to be a little bit more open-minded. I think that, because of the publicity on this, we were suspect from the time we sat down at this table. I would like to appeal for a little more openness about it. We think there are some good features in this, and if the bill isn't exactly the way you like it, let's work at it. But we would appeal to you to take a look at what has happened in other areas.

Mr. KILDEE. It wasn't just the publicity. I didn't get all my information from Dan Rather or Sam Donaldson——

Secretary BELL. I know, Mr. Kildee. I'm aware of that. If I implied that, I apologize. I didn't mean to imply that at all.

Mr. KILDEE. I know you didn't mean to imply that. But the fact of the matter is it wasn't just the publicity or the way the media handled it. There were people in your very Department who contributed to this negative image. But more so, Terrel, keep an eye on the White House. Keep one eye on your own Department and

watch that White House very closely, because I suspect that that's where this idea came from.

Let me ask you this. Is driving the engine of this proposed change educational reasons or ideological reasons? Is it educators who are asking you for this proposal, or is it those who belong to a very narrow slice of a philosophical spectrum who are pushing it?

Secretary BELL. Mr. Kildee, I don't fit in very well with that narrow slice that you are referring to.

Mr. KILDEE. I know you don't, and I have acknowledged that in various public forums, including this committee room.

Secretary BELL. But I do feel, as sincerely as I can express this to you, as a person who has spent all of his adult life in education and in the public schools—and I choose the public schools; I have a child right now attending public schools—I feel that the option and parental choice opportunity that this program offers is a good program. I would really urge you to look at it with a little more favor than I am hearing here this morning.

Mr. KILDEE. Well, it bothers me that the traditional advocates of the poor are not jumping on the bandwagon and are not supporting this at all. I mean groups like the NAACP, the Urban League, and the AFL-CIO. Those groups, whose credentials are well established in this country, and certainly in this town, as being advocates of programs to help the poor, the middle class, the working poor, and the nonworking, are not supporting this.

That should cause you to be openminded, too; Right?

Secretary BELL. Yes. I acknowledge that.

Mr. KILDEE. I wonder why they aren't supporting this, or saying your proposal would be a good thing for the kids of those people we are so concerned about.

You made a statement earlier, Ted, that it is unfortunate, in the early publicity on this program, that the word, voucher, was attached to it. But isn't voucher the appropriate word?

Secretary BELL. Oh, it is. It is just that——

Mr. KILDEE. So, are you saying it is unfortunate that the truth was attached to this?

[Laughter.]

Secretary BELL. There are some words that we use that affect us emotionally. Some people react to the word algebra, you see.

The other thing I talked about was the publicity. It concerned me a great deal that one morning, when we were still in the discussion stages with our colleagues at OMB and at the White House, on the front page of the Washington Post was an article on this proposal and on our education savings account in higher education. The idea was being discussed at that point and we were exchanging concepts back and forth. And for that story to be out at that time caused a reaction. Many had arrived at conclusions about our proposal that just weren't fair.

Mr. BAUER. Congressman, along that same line, the Pell grant program is a voucher. I know you're a strong supporter of that. I would hope that if we call it a voucher, which it really is, a voucher for higher education, that you wouldn't rethink your support for it.

Mr. KILDEE. No, I am not the one that is quarreling with the fact that the word voucher has been attached. The question was raised

on that side of the witness table. But the question here is whether the word voucher is an appropriate title for this reality, is it not?

Secretary BELL. Mr. Kildee was telling me to call it what it is, and it's a voucher. I acknowledge that. I am just saying that there is an emotional reaction to that label from some people.

Mr. KILDEE. Let me ask you this. In the bill it says that none of these vouchers, funds, whatever you want to call them, may be used in schools with racially discriminatory policies. I think the answer given to a question by Congressman Hawkins bothered me a bit, inasmuch as you are not really sure what that language does mean. I think this is something that should be a high priority in any administration, to make sure we aren't doing something to exacerbate the problem of racial discrimination and separation. I would think the drafters of this bill could have drafted it in such a way that you would have clear in your mind the response to Mr. Hawkins' questions, and not have to tell us that later on you will investigate to see what you meant.

Mr. BAUER. No. To the extent that my answer was read as not understanding what was in the bill, let me try to elaborate. We feel that the 11 pages, out of the 18-page bill, devoted to protections on civil rights provide strong protections. These same protections are in the tuition tax credit bill. Members of the Senate on both sides of the aisle have strongly endorsed them and have come to the conclusion that these provisions adequately provide civil rights protections.

You know, it really is difficult for me to imagine, with 11 pages of protection and rights given to the Attorney General to bring suit and other safeguards, that any one could see anything in this other than very strong civil rights guarantees.

Again, I would like to reiterate that the chapter 1 program, as you know, is heavily weighted with minority children. If anything, this is going to give those minority children the ability to attend schools that they now cannot attend because they are economically stopped from crossing that boundary line and attending a school in another area of the city or some other type of school.

If anything, I think the strongest case can be made that this is going to aid the integration of our public school systems that we all want to see occur on a voluntary basis.

Mr. KILDEE. Eleven pages, of course, doesn't impress any of us. I'm a former English teacher and have taken an 11-page theme and reduced it to 2 fairly good pages. It is the quality of the law, not the length of the verbiage.

Mr. BAUER. The 11 pages begin with a statement that the voucher cannot be used by parents to send their children to schools that discriminate.

Mr. HAWKINS. I just wanted to set the record straight. I have been trying to read those 11 pages and I still haven't located any provision which would allow a parent of those unfortunate minority children that you speak of to sue, except to make an allegation to the Attorney General.

Mr. BAUER. Yes, I——

Mr. HAWKINS. You give a lot of power to the Attorney General, but you give none whatsoever, that I have been able to locate as yet, reading through these pages—you told me that you were going

to be specific and let us know that that was so. Now, are you prepared to do that?

Mr. BAUER. Mr. Hawkins, I have been reading through it as you have been, and I was recalling that we had originally put in a parental right to sue, and then when that provision was taken out of the tuition tax credit bill on the Senate side, as other safeguards were put in, we did the same thing with this draft.

As you know, parents have a right to sue under other laws and under our Constitution. Obviously, this bill doesn't affect any of that. But under the specific voucher proposal, the Attorney General is the one granted the power to be the enforcer of the bill, and we felt that that was an appropriate approach.

Secretary BELL. Could we get your support if we could strengthen that provision?

Mr. HAWKINS. You would begin to get a little more confidence, I would say. But as to support, in my opinion the entire thing falls of its own weight. But I think it is pretty obvious that it is very loosely drawn.

I don't think anyone questions your integrity, certainly before this committee——

Mr. BAUER. Mr. Hawkins, this provision is embraced on the Senate side by Senators Packwood and Moynihan in the tuition tax credit bill, neither of which I think are soft on civil rights.

Mr. HAWKINS. Well, I am not saying I am soft on civil rights, either.

Mr. BAUER. And I am suggesting that we aren't either.

Mr. HAWKINS. Sometimes civil rights leaders can make a mistake. It would seem to me this is a mistake if at the very beginning a parent that you say should have this option—you have been talking about the parents all this morning being equal with the local educational agency, and yet you deprive of that parent a basic right which it seems to me should go along with this proposal. Without that——

Mr. BAUER. The parents still have the right to bring suit. We just add no additional rights to sue under this proposal.

Mr. KILDEE. If I may reclaim my time on that——

Mr. HAWKINS. Thank you.

Mr. KILDEE. Thank you, Mr. Hawkins. I think you have added well to my line of questioning there.

What bothers me is that, from things that commonly happen, one can make a prudent presumption. I learned that in philosophy.

When you say that none of these vouchers may be used in schools with racially discriminatory policies, what definition are you using—the longstanding definition that the Justice Department really fought for us and our children on, or the more recent one enunciated by Ronald Reagan? It really bothered me when he announced that the Justice Department would no longer be pursuing these cases.

Now, which definition are we going to use on racially discriminatory schools, or which policy—the one that we had protection for under many Presidents, Democrats and Republicans, or the one that the President established and then wobbled on a few days later? Which one?

Mr. BAUER. The provision in the bill specifically says a school follows a racially discriminatory policy if such school refuses on the basis of race to admit applicants as students, to admit students to the rights, privileges, programs, and activities generally made available to students by the school, or to allow students to participate in scholarship, loan, athletic, or other programs. It is pretty comprehensive.

Mr. KILDEE. Just for informational purpose, is that language as strong as what the Justice Department for many years was trying to enforce in this country?

Mr. BAUER. Well, I believe it is.

Mr. KILDEE. Did you contact anyone in the Justice Department to confirm that?

Mr. BAUER. The Justice Department reviews all legislative proposals made by the administration and found this to be——

Mr. KILDEE. Did you specifically say to them "Are we doing enough to protect the civil rights of people?" Can you check specifically for that?

Mr. BAUER. Yes, indeed. We were very concerned about the civil rights protections of the bill.

Secretary BELL. Incidentally, the President has been concerned about that in this bill and also in the tuition tax credit bill.

Mr. KILDEE. He ought to be, after the confusion he caused.

Secretary BELL. Well, he has a strong commitment to civil rights. We have had a number of conversations on that and you don't have any argument with the President on strong provisions there.

Mr. KILDEE. I don't know what is inside his soul because I am not his father confessor. But I do know that the words he used caused a great deal of consternation in this country; would you not admit that, when he told the Justice Department not to pursue these discrimination cases? Should that not have caused some concern, when many, many years of case law and policy of the Justice Department was to be set aside by the President's direction?

Whatever his feelings may be, didn't it cause at least some confusion?

Secretary BELL. I haven't had any concern about the President's civil rights commitments. I have heard him in so many places press the rest of us on what our position ought to be.

Mr. KILDEE. I am glad to hear that. I think he did cause a great deal of concern among people I know, and with myself, on that unfortunate position he took on the tax exempt status of schools that were discriminating racially. I think that did not help the cause of civil rights.

You know, Mr. Secretary, we have to very carefully scrutinize this bill and to very carefully examine you to make sure that you are really in your own mind establishing civil rights as a high priority when this bill was written.

Dr. DAVENPORT. Mr. Kildee, presently the local education institutions are responsible for assuring that chapter 1 programs in private schools are in compliance with the Civil Rights Act.

Mr. KILDEE. It is interesting that one of the agencies that represents a school system that has participated to a great extent in title I opposes this bill. I am speaking of the Catholic Conference.

Have you had any discussions with the Catholic Conference as to why they oppose the bill?

Secretary BELL. I don't think the conference opposes it. I think they have taken a position that they will neither oppose nor support the bill. Here I am speaking for them and I should not do that. But I had a report just before the hearing started. The Catholic Conference is having its convention here. I had a report on that from Dr. O'Malley, who is my executive assistant for private schools. I could ask him to speak on that if you would like him to.

But the report I received, Mr. Kildee, was that they weren't going to support or oppose the bill. They would take a neutral posture on it.

Mr. KILDEE. I think they informed the chairman of the committee here that they do oppose it. That is the information that I have. But we will get the official documentation.

I am asking that because it is a school system that has been participating in title I. If I can recall correctly, the reason for this opposition is that they feel this program has been working so successfully in both their schools but in the public school system, that this poses dangers to the future of the program and therefore they are not supporting it. My indications are that they told the chairman of this committee they opposed it.

Mr. BAUER. Mr. Kildee, we hope that in seeking the opinions of both public and private school officials, there be some effort to talk not only to their representatives in Washington but to the schools and parents themselves. We strongly believe——

Mr. KILDEE. I do, every weekend.

Mr. BAUER. I know you do. But I am saying that if the committee would talk to the parents of educationally-disadvantaged children, we really have no doubt that if you told those parents this administration has made a proposal which would give them a greater opportunity to make educational choices for their children, they would find that a very positive proposal. We hope that the committee has a chance to hear directly from some parents specifically on that point. That is who we are trying to respond to with this proposal.

Mr. KILDEE. Thank you, Mr. Chairman.

Mr. BOUCHER [presiding]. Thank you, Mr. Kildee.

Mr. Corrada.

Mr. CORRADA. Thank you, Mr. Chairman.

Mr. Secretary, I am glad to see you here testifying, and also those who have come with you.

Secretary BELL. Thank you.

Mr. CORRADA. I have tried to keep an open mind on this matter. I think that the proposal is interesting. Of course, I do believe that in this Nation it is important to leave open choices for parents who wish to send their children to different types of schools. There should be educational diversity.

But yet I am concerned about the proposal, because even though I do share those principles and those views, I believe that government—be it local, State or Federal—has the primary responsibility to make sure, before any other consideration, that the public educational system turns out to be a good choice for our people.

Secretary BELL. I agree. I agree with that.

Mr. CORRADA. In other words, I find it proper to say we want to give parents a choice. However, we have to make sure that the choice that we offer them in terms of public education in this country is a reasonable and adequate choice, so that they could exercise it properly.

I am concerned that in terms of resources we still are not to the point where we can say we do have sufficient and adequate resources to make sure that the public education that we offer to our children is good enough so that now we can further provide public funds to allow parents to make additional choices about sending their school children to other educational systems.

For instance, in this case, we are talking about promoting this Federal policy of allowing State and local education agencies to use these vouchers. But to what extent do we see, at the State and local levels, the desire on their part to exercise their responsibility to provide for the education of the children within their jurisdictions, with the Federal Government providing a supportive or complementary role, or stepping in when there is a void to fill inadequacies or deficiencies in the local school systems.

To what extent do we see that there is a trend in the States and at the local level of offering this diversity option from public resources—that is, public funds—at the local and State level?

Secretary BELL. That is a very good question, and one that I think has been pretty much the theme of this hearing. I would emphasize that not only had we ought to provide good education to children, but we ought to provide equality of opportunity. I would argue that there is no equal opportunity for the poor to exercise choice in elementary and secondary education like we have it in higher education. We provide it there with our student aid programs. That is much of the weight of our argument on this.

Much has been said, also, about how many school districts are in favor of this. Mr. Miller challenged me to start naming school districts and State education agencies that are in favor of it. My response to that is well, if they are not in favor of it, they don't have to utilize it. All we would do is provide them the option. If they say they don't want to do this, then that, in effect, is their decision.

So I cannot see why that would be a bad thing, to give them that opportunity, and I think we would then know by observing to what extent they use this option how much they favor it. If they are not in favor of it, they don't have to utilize it. It seems to me like it is a pretty ideal situation in that regard.

Dr. DAVENPORT. Congressman, one of the areas where I think there is confusion, is that chapter 1 services are presently provided by the local school district to students that attend private schools. What we are talking about now is taking that one step further, and that one step amazes me as to the amount of confusion about it.

Mr. CORRADA. Well, again—and we are talking here essentially of poor children—are we satisfied that we have met the demands and the expectations of American parents in providing in the public school system an adequate enough education, making that a reasonable, sufficient and adequate choice? If we can answer yes to that question, if we can answer yes to the question "are we at the Federal, State and local agencies providing sufficient resources to meet the needs of these children," then perhaps I would sympa-

thize with the proposal. But I don't know if we can answer those questions in the affirmative.

Secretary BELL. You see, school districts right now are hard-pressed financially with the resources that they get. Most of their funding is local and State and only about 8 percent of it is Federal. They are being pressed hard. I have read about what the State legislatures are doing now that they are in session. Some of them have met and adjourned in the smaller States. So I couldn't sit here in this committee hearing and say that we are providing all the resources that they need.

Also, I would point out that I don't see this proposal as a deleting of those resources, of a diluting of those resources. If we provide $525 a child for compensatory education services, to supplement but not supplant the funds that they provide on the State and local level, and if a school district wants to approve a child taking a voucher for that amount of money and enrolling in another school, if they think that is best for the child and the parent thinks that is best for the child, I don't see that as diluting the resources. They wouldn't have the responsibility and expense of educating that child. And if they feel it would cut down on the number of children in a chapter 1 program to where the program wouldn't be effective, then they ought not exercise this choice. I am convinced that they wouldn't.

So I don't see it as a diluting of the resources. I see it as expanding educational opportunity, to give the poor the opportunity. If you are wealthy now, you can exercise a choice, but if you are not wealthy, you can't do it.

You can exercise choice in higher education because of how heavily we subsidize it through the Federal level.

Mr. CORRADA. I think there is a distinction in the case of higher education, and that is I believe there is a fundamental, basic, essential commitment on the part of this country to provide adequate elementary and secondary education to all children.

Secretary BELL. I agree.

Mr. CORRADA. That is the fundamental responsibility of government. I believe, of course, that it is also essential also to provide postsecondary education. But once you have reached the level of elementary and secondary education and you go beyond that, I believe we have done the right thing to allow a greater diversity in these services because it is an additional choice that a student and the parents must make, once they reach that stage of finishing their secondary education, that they want to go on to postsecondary education. The question is, are we ready, because of the limitation of resources, to do this in the elementary and secondary education.

By and large, what percentage do chapter 1 moneys, Federal moneys represent of the financial resources as an average of the State and local education agencies?

Secretary BELL. Maybe Dr. Davenport can add to this, but I believe that the country spends about $2,500 a child in elementary and secondary schools. Then, on top of that, for the low income children that qualify under chapter 1 we add another $521.

Mr. CORRADA. That would be what percent of the financial resources, as an average, of the State and local educational agencies?

In other words, what does that represent, percentagewise, of the total amount spent for the education of those children by the local and State agencies?

Secretary BELL. Chapter 1 is just over $3 billion, and I can't call to mind what we spend for elementary and secondary education nationwide. But it would be $3 billion over that number, which I know is about $115 or $120 billion.

Mr. CORRADA. Would it be a fair assumption to say that there are more financial resources devoted to the educational services provided to poor children in our country by state and local governments than by the Federal Government?

Secretary BELL. Oh, yes, because they provide the bulk of the money for the regular educational. Our money is used for compensatory programs to meet the special needs, of the poor. Our proposal would allow more choice on the part of parents. If a parent is unhappy with a child and the setting in which the child is functioning, we think it is a wholesome thing to permit some choice. We now do it, as I emphasized before, in education for the handicapped.

Mr. CORRADA. So if they put more money in it at the local and State level, than they do at the Federal level, and if they wanted to provide that choice with their resources, why haven't the States and local agencies within their own legal framework, within their own jurisdictions, moved ahead to provide the very same choice that you are proposing here? In other words, isn't this a case of the "tail wagging the dog"?

Secretary BELL. Well, most of the additional money, which the district receives to educate low-income children, has traditionally been provided by the Federal Government. Now, because of the success of the program and the attention focused upon it, some States—not all of them, but some of them—have also been funding compensatory education services, but not nearly at the level of the Federal contribution.

Now, I don't know that I would have an answer to the question as to why they haven't on the State level enacted legislation to permit a voucher. They have provided that in some situations. I know Vermont has a high school voucher program for certain isolated areas. There are a few instances where there have been some voucher provisions, but they are very rare and exceptional. I don't think you could make any generalizations from them.

Mr. CORRADA. Might it not be a better approach, Mr. Secretary, if we simply allowed in the Federal law the flexibility to allow those State and local units of government to move forward to this very end, to allow the flexibility in the Federal law so that they could utilize the chapter 1 moneys in a way that would respond to the kind of framework that they have at the State and local level, rather than our trying to steer them toward that direction?

Secretary BELL. Yes. You see, we may have given the impression that our proposal would require implementation of voucher programs, and it wouldn't. It would simply allow them, as you just said, it would permit them to do so. The LEA's could utilize this option or not, at their discretion. That is all we would do. There is nothing mandatory in our proposal.

Now, you did not have an opportunity to hear my opening statement, but we emphasize that there.

Mr. CORRADA. I read it while I waited here for my turn to question you. Of course, it is very well prepared.

One final question. As I understand from the proposal and your testimony, you are not talking here of providing additional financial resources to be able to implement this voucher system. What we are talking about is allowing flexibility so that under the current level of funding for chapter 1 there could be this flexibility in utilizing the funds?

Secretary BELL. Yes, sir. They could do it if they wanted to, and they could also exercise the option not to do it, which I think is very important.

Mr. CORRADA. Thank you, Mr. Secretary. I have no further questions.

Mr. BOUCHER. Thank you, Mr. Corrada.

Mr. Secretary, on behalf of the subcommittee, we would like to thank you and the gentlemen with you for your attendance and your testimony here today.

Secretary BELL. Thank you very much.

Mr. BOUCHER. We now have a panel of witnesses. Mrs. Mary Hatwood Futrell, who is the secretary-treasurer of the National Education Association; Mr. Gregory Humphrey, director of legislation, the American Federation of Teachers; Mrs. Grace Baisinger, president of the National Coalition for Public Education; she is accompanied by Ms. Althea Simmons, director of the Washington bureau of the NAACP; Mr. Joseph Scherer, associate executive director, American Association of School Administrators; and Ms. Linda Darling-Hammond of the Rand Corp.

The Chair would ask that participants in the panel keep their comments to approximately 5 minutes, in view of the time constraints that we now have.

We will be glad to hear first from Ms. Futrell, secretary-treasurer of the National Education Association.

STATEMENT OF MARY HATWOOD FUTRELL, SECRETARY-TREASURER, NATIONAL EDUCATION ASSOCIATION

Ms. FUTRELL. Thank you very much, Mr. Chairman. I have adjusted my remarks so that they will fall within the timeframe you have indicated.

My name is Mary Hatwood Futrell and I am the secretary-treasurer of the National Education Association. I am speaking on behalf of the NEA's 1.7 million classroom teachers, higher education faculty, and educational support personnel. I am here today to testify in opposition to educational vouchers and their substitution for the chapter 1 program of the Education Consolidation and Improvement Act. We are unalterably opposed to and will combat with all of our resources educational vouchers that divert important economic resources away from the public schools.

Mr. Chairman, this morning I will speak briefly to seven arguments in support of our opposition to this proposal, and we have submitted testimony which will outline in much more detail the seven points that I will offer today.

First, chapter 1 of ECIA provides a program that has a proven track record of working. The proposed voucher program does not accomplish a significant national purpose in a cost-effective fashion. In fact, the administration's proposal will actually decrease the number of educationally deprived students being provided educational services as well as deal public schools a double blow with an enrollment shift that would deprive the public school of Federal revenue as well as State support.

Second, the proposed voucher program does not improve educational services for educationally deprived children. An assumption is made that by giving children from the Nation's very poorest families a $500 voucher that they will be able to gain admission to a private or public school which can better meet their educational needs. Few private schools have programs designed to benefit students with special needs. Moreover, should the annual tuition exceed $500, can we realistically expect the very poorest families to have resources to finance the additional cost?

Third, the proposed voucher plan to extend voucher payments on behalf of children attending private schools would violate the constitutional principle of the separation of church and state. Education voucher plans would compel all taxpayers to support nonpublic schools which in theory and practice are pervasively sectarian institutions.

Fourth, the voucher program as proposed seriously undermines the concept of public services ha[illegible] been based on the concept of public dollars for public purposes.

Fifth, a voucher system becomes a classic "blame the victim" method, of blaming poor school performance on parents and ignoring the root causes of poverty and lack of educational opportunity. The effectiveness of a voucher system depends on what kind of information parents have about educational alternatives and their capacity to use this information well. Adequately informed, parents are in the best position to select and oversee the educational environment in which their children are most likely to flourish.

Sixth, the proposed voucher program does not provide adequate safeguards against Federal support for discriminatory schools. The voucher proposal represents an opportunity for parent and child to make a schooling decision based on individual choice which could encourage segregation. The current administration's bill does not specifically preclude the payment of vouchers to schools that discriminate in admissions on either the basis of sex or handicaps or to those schools that discriminate in their hiring practices.

Last, the proposed legislation will serve to increase Federal regulation rather than get government off our backs. Public funds must be used and accounted for and must be used for public purposes.

The National Education Association has long held that all students should be provided with alternatives that meet their needs. It is our opinion that choices, alternatives, or magnet schools can be made available within the public education system.

NEA urges that vouchers be defeated. The Reagan voucher program would destroy a successful, although underfunded, program for disadvantaged youngsters. The voucher proposal is without merit as public policy and deserves to be treated as such.

Thank you very much.
[The prepared statement of Mary Futrell follows:]

PREPARED STATEMENT OF MARY HATWOOD FUTRELL, SECRETARY-TREASURER, NATIONAL EDUCATION ASSOCIATION

Mr. Chairman, I am Mary Hatwood Futrell, Secretary-Treasurer of the National Education Association. I am here to testify in opposition to educational vouchers and their substitution for the successful Chapter I program of the Education Consolidation and Improvement Act. I speak on behalf of NEA's more than 1.7 million classroom teachers, higher education faculty and education support employees.

The NEA is unalterably opposed to, and will combat with all the resources at its command, educational vouchers that divert important economic resources away from public schools and raise false promises. Voucher plans which distribute public funds directly to parents for personal choices, whether financed by federal, state or local grants to parents, could lead to racial, economic, and social isolation of children and seriously weaken the public school system. It is inappropriate to replace a successful program for disadvantaged youngsters by establishing a new federal policy which would undermine financially troubled public schools and entangle the federal government in the private school sector.

The history of education in America reveals a painful struggle to provide free, open and equal education to every person regardless of race, creed, national origin, sex or age. The political, economic and miltiary strength of America has been built on the foundation of an effective public school system. Every president before Ronald Reagan has supported the principle of universal, free public education for all citizens. At a time when, as never before, we face heightened economic competition from abroad at a time when we need to revitalize and support our public school system to meet this economic challenge, this Administration is working to destroy it.

We submit seven arguments in support of our position.

1. *Success of Chapter I:* The proposed voucher program is apparently based on the assumption that the Chapter I program as currently funded and administered is not working, or that it would work better under a voucher system.

The Chapter I program as currently designed concentrates money in schools and school districts serving large numbers of students from low income families. Within particular schools, Chapter I funds are targeted on the lowest achieving students. The emphasis is on compensatory education primarily focused on developing reading, writing, and computational skills.

Many disadvantaged students who participated have improved their reading skills by as much as 17 percent and their math ability by as much as 74 percent. (National Assessment of Educational Progress—NIE 1981) Even Department of Education Secretary Terrel Bell has acknowledged this success.

No evidence is available to suggest that the voucher programs would improve this record, reach more students, or provide compensatory education in a more cost efficient manner.

Evidence from the very limited experiment with vouchers in Alum Rock, California, indicates that even with the provision of free transportation, geographical location was the single most important factor in parental placement decisions. Furthermore, curriculum factors proved to be less important than noninstructional factors in determining parental choice of schools.

In point of fact, the Administration's proposal would actually decrease the number of educationally deprived students currently being provided educational services. It would also deal public schools a double blow causing an enrollment shift that would deprive the public schools federal revenue as well as state support.

More than 11 million disadvantaged children are eligible for Chapter I programs. Currently only 45 percent are being served because of insufficient funds. The Administration's budget recommendation for Chapter I would reduce the number served by approximately 220,000 children. "Toward More Local Control: Financial Reform for Public Education" the final report of the Reagan appointed Advisory Panel on Financing Elementary and Secondary Education (12/31/82) suggests what the Administration policy will be on this issue. The report recommended that eligibility for Chapter I money be more narrowly defined to "include only the very poorest—serving a smaller number of children more generously. . . ."

2. *The proposed voucher program does not improve education services for educational deprived children:* The assumption of the proposed legislation is that by giving children from the nation's very poorest families a voucher for approximately $500, they will be able to gain admission to a private or public school which will do

a better job of meeting their educational needs than are schools they are currently attending. There is little evidence to suggest that the lowest cost private schools would agree to accept the most economically disadvantaged children. Should annual tuition exceed $500, which is below the average cost of private schools, can we realistically expect the very poorest families in the nation to finance the additional cost of tuition from their own resources? Geographically, private schools are concentrated in the Northeast and North Central regions of the country and are disproportionately in urban areas. Rural school children have only one-third the opportunity to attend private schools when compared to their urban counterparts.

The national public school average per pupil expenditure is $2917 and with only $500 voucher in hand few parents woud be able to place their child in a public school outside the home district. Most critiacl is the fact that few private schools have programs designed to benefit students with "special needs".

In short, it is not realistic to assume that giving the nation's very poorest children a voucher for $500 will provide most of them, or even some of them, with a better educational opportunity than they currently have.

3. *The proposed voucher plan to extend voucher payments on behalf of children attending private schools would violate the constitutional principle of the separation of church and state:* In its simplest form, a voucher system places complete authority for choosing a school with the consumer. Parents are subsidized rather than the schools, and schools compete independently for consumers' dollars. Whether under these arrangements education should be termed wholly private or wholly public is of semantic interest only. Thus, vouchers effectively render the distinction between private and public schools meaningless.

Educatin voucher plans would compel all taxpayers to support nonpublic schools, which in theory and practice are pervasively sectarian institutions. This would violate the First Amendment's principle of separation of church and state by interfering with the right of taxpayers to support only the religious institutions of their free choice.

The proposed legislation does include a specific statement that payments "shall not constitute Federal financial assistance . . ." While such a statement is attractive to a conservative constituency, a court will examine the distinction in fact and not the label applied.

A long line of Supreme Court cases in recent years has dealt with the constitutionality of various methods of providing aid to nonpublic elementary and secondary schools. The Court has consistently struck down provisions which either directly or indirectly have the effect of advancing religion and offsetting the constitutional provisions for separation of church and state.

The only forms of "aid" which the Court has found to be consistent with the First Amendment are those which provide general welfare and health services, textbooks, and transportation to all children. In a recent, *Woman* v. *Walter*, 97 S. Ct. 2593 (1977), the Supreme Court was careful not to extend this doctrine beyond its previous decisions and indicated that when faced with the question of expanding nonpublic aid or of prohibiting it, prohibition should be the favored course.

The unconstitutionality of the private school support scheme for elementary and secondary nonpublic schools is without question, in light of the Supreme Court's ruling in *Committee for Public Education and Religious Liberty* v. *Nyquist*, 413 U.S. 756 (1973). The Court in *Nyquist* found that New York statute providing income tax benefits to parents of children attending nonpublic schools to be a violation of the First Amendment in that it would have the "impermissible effect of advancing the sectarian activities of religious schools."

Supporters of educational vouchers contend that the First Amendment is not violated since the benefits go to the parent of the nonpublic school child, not to the private school itself. But the Supreme Court in *Nyquist* specifically rejected this argument and found that the effect of the aid is "unmistakably to provide desired financial support for nonpublic, sectarian institutions."

The NEA is under a mandate adopted in the summer of 1982 by over 7,000 delegates at the Representative Assembly, our highest policy-making body, to "initiate a court challenge of the constitutionality of any tuition tax credit or voucher plan adopted as law."

4. *The voucher program as proposed seriously undermines the concept of public services:* The American tradition of public services has been based on the concept of public dollars for public purposes. Public schools are supported by all taxpayers. To assume that individuals who choose not to use those services deserve additional public support, or that those individuals are somehow doubly taxed if they pay taxes and then choose to purchase private services, opens questions on the viability of

police, transportation, and other public services. It is now the vast majority of taxpayers who would be doubly taxed to provide two school systems.

5. *A voucher system becomes a classic "blame the victim" method of blaming poor school performance on parents and ignoring the root causes of poverty and lack of educational opportunity:* The effectiveness of a voucher system depends on the kind of information parents have about educational alternatives and on their capacity to use this information well. Advocates of vouchers feel that parents know best about the individual needs and aptitudes of their children. Adequately informed, say these advocates, parents are in the best position to select and oversee the educational environment in which their children are most likely to flourish.

Failing to understand how effectively this nation had "colonized" many of its poor and minority communities leads to the same misguided positions of paternalism and 'noblesse oblige' that distort much of our foreign policy. With good information and real alternatives, poor families are able, or capable of learning in short order, to make as good decisions as anyone else. The critical question, therefore, concerning how poor families might fare under a voucher system is whether real alternatives will be accessible.

To say that under a voucher system a poor family living in Harlem would have the "choice" of attending school in Scarsdale is nonsense. Many social and economic barriers, not the least of which is the cost of transportation, make that an empty choice indeed. It is not merely the lack of choice in education that limits the educational opportunities of poor families, but the lack of choice in housing, employment, leisure, and other aspects of daily life. To ignore or play down this fact creates false expectations about what vouchers can accomplish in way of eductional reform.

Herein lies the greatest danger of selling vouchers on the basis of their potential benefits to poor families. If, under a voucher system poor children continue to do poorly in school, it will be said either that parents made poor choices or that children can't learn. It will be easier than ever to ignore the complex ways in which poverty reinforces poverty and instead blame the victims.

Portraying vouchers as a boon to the poor is at best speculative; at worst, it constitutes false advertising. Holding out vouchers as the escape route for poor families risks diverting important energy, resources, and expectations into an alleged educational reform that fails to grapple comprehensively with the interlocking web of circumstances that perpetuate poverty and make the American dream an impossibility.

6. *The proposed voucher program does not provide adequate safeguards against federal support for discriminatory schools:* Vouchers represent an opportunity for a parent and child to make a schooling decision based on individual choice and as such seem certain to encourage segregation. Almost all evidence on private decisions in the American marketplace suggests that many families would use vouchers to buy isolation from others of different racial and ethnic status and different social class. Under the proposed program, parents would be allowed to use their vouchers at either private or public schools as long as those schools have not discriminated in admissions on the basis of race during the previous 12 months. The President's bill does not specifically preclude the payment of vouchers to schools that discriminate in admissions on either the basis of sex or handicap, or to those schools that discriminate in their hiring policies.

7. *The proposed legislation will serve to increase federal regulation rather than get "government off our back":* Under a voucher system, the government will not cease to be interested in the attainment of the goals of serving social, economic and political needs. How will the societal goals for socialization to a common culture, preparation of students for occupational life, and the inculcation of democratic values be achieved? There will continue to be a public interest in the effectiveness of schooling. Because so much public money will continue to be expended, the public will continue to be interested in the efficiency with which schools operate. And because equality of opportunity is such a central value in American democracy, the government will remain interested in equality of educational opportunity and assure effectiveness, efficiency, and equity through legislation and regulation.

It is not enough for voucher advocates to espouse the virtues of competition, efficiency, and choice. They must be prepared to explain how schools under vouchers will accommodate the goals of the country effectively, efficiently, and equitably. Public funds must be used and accounted for and they must be used for public purposes.

Local school agencies and elected school boards are held accountable for how tax money is spent in public schools. Taxpayers would have the right to demand the same accountability from private schools benefiting from federal money.

However, the need for regulation that we have described is a symptom of a more fundamental problem with the voucher concept: the achievement of public goals through the private market. Under the current system of financing schools, tensions between public and private interests are resolved by pursuing pluralistic goals through public decisionmaking in the public sector and by allowing individualistic goals to be pursued in the privately-funded and operated private sector. Private control over the public interest has been avoided over the course of this nation's history by linking accountability for the pursuit of public goals to public funding of institutions. Public funding of the private sector without the public accountability that accompanies pluralistic decisionmaking should not occur. Where problems have occurred because of over-regulation, the solutions will not be found by extending regulation to the private sector or by seeking to avoid the public sector—and its problems—with a voucherized escape hatch. The public interest must be served. We must seek to find ways to serve it better.

The preceding arguments, we suggest, should be sufficient for you to reject this proposed voucher plan and devote energy and resources to resolving the very real problems education faces. We would like to close our statement on a more positive note.

Teacher and Parent Choice

While the growing appeal for greater diversity in elementary and secondary education stems from deeply-felt dissatisfactions that have no single cause, parents are not the only ones who are discontent. Educators, administrators, and school board members—all those involved with public education—feel constrained to some degree or another. In this light, it is obvious that proposals promising greater freedom of choice in education look very attractive.

The National Education Association has long held that *all* students should be provided with alternatives that meet their needs. In policies adopted in 1977 and expanded in 1982, NEA has advocated the "increased development of alternative programs to meet the needs of several groups of students." These "programs should emphasize a broad range of activities for responding to students." Furthermore, NEA has stated that these programs must be carefully evaluated and that "teachers . . . must have a major role designing and executing the objectives and evaluations."

Teachers have, in fact, supported educational options for some time. In 1974, a Gallup Poll showed that while 80 percent of teachers supported alternative schools, only 62 percent of the general public backed such schools. Magnet schools were first discussed more than 50 years ago.

A recent study, conducted by the Project on Alternatives in Education (PAE) (The Current Status of Schools of Choice in Public Education-MaryAnn Raywid-Hofstra University-NIE Grant G-80-0194) has confirmed the NEA position that choices—alternatives or magnet schools—can be made available within the public education system to provide improved educational programs better directed to the needs of individual students and teachers without requiring a fiscal reconstruction of the American public educational system.

The PAE research team reported that there may be between 5,000 and 6,500 alternative high schools in the 16,000 school districts.

Alternative schools are established primarily to meet the educational needs of students either from a general needs perspective or from a more specific perspective, from a more extensive academic preparation in special areas such as science or music or from the needs of chronically truant children. The alternative school movement appears to be here to stay, with 45 percent of these schools reporting an enrollment growth despite many with enrollment restrictions. In fact, in some areas—the state of Washington, for example—the alternative school directory has doubled over the past five years.

Characteristically, alternative schools operate with a high level of parental support. It is interesting to note that almost two-thirds of these schools have been able to function at the same or lower per-pupil cost. In addition to the parental support, teachers have demonstrated their support as well, and have experienced higher staff morale. In addition, student attendance has increased. Another salient feature of the schools is the role of evaluation, with 85 percent of the alternatives subjected to a formal evaluation system involving observers and evaluators from outside the alternative schools. This degree of evaluation is rare in conventional school settings.

The PAE Survey provides support for developing a response to several critical problems facing education today. The public education system can be responsive to the needs and interests of those pushing for alternatives and options for parents and children, and can do so in a fashion that preserves the integrity of the public educa-

tional system and is at the same time fiscally responsible and accountable to the educational governance and accountability process.

The National Education Association considers the need for choices, alternatives and options to be a reasonable and natural position as we view the success of the school in its role of providing free public education, particularly in times of a technological imperative and resource scarcity. Alternatives such as those examined by the PAE provide a better solution than tuition tax credits or voucher systems.

NEA urges that vouchers be defeated, the Reagan voucher program would destroy a successful, although underfunded program for disadvantaged youngsters. In its place would be false promises for a very--the poorest of the poor—and nothing for two thirds of those covered by the current legislation. The voucher proposal is without merit as public policy and deserves to be treated as such.

Voucher Plans

NEA POSITION

The National Education Association opposes the establishment of voucher plans. The Association believes that education financed by federal, state, or local grants to parents of elementary and secondary school children could lead to racial, economic, and social isolation of children and ultimately weaken or destroy the public school system.

BACKGROUND

A concerted effort was undertaken in the late 1960's to institute a system to extend the public funding of schools to include parochial and private schools—education voucher plans. While there have been several variations, voucher plans would generally operate as follows: a state or authorized local government entity would issue parents of elementary and secondary school children a voucher worth a designated amount. Parents would then choose either to use the voucher to enroll their children in a private or parochial school or continue their public school education. Parents would use the voucher to pay for tuition and enrollment costs. The school would then redeem the voucher for cash at the appropriate entity.

The voucher plan concept was simple enough—public money would be given to families to pay tuition costs at any school of their choice. It was believed by its supporters that vouchers would produce the diversity and quality education that public schools seemed incapable of providing. Vouchers as a concept would alter the structure of education as it has been known throughout the country for more than a century.

DISCUSSION

There are numerous voucher plan proposals. The one prevailing similarity, however, is the provision for full or nearly full funding of sectarian or other private schools from tax sources. Under the one plan all students would receive vouchers of equal value; another plan would fragment education along family income levels. Other variations of voucher plans would tie the value of vouchers to school performance, or allow parents to choose high or low expenditure schools. Still another form would bar obvious racial discrimination by requiring that half of the seats in a voucher school be filled by lottery from the applicant poll. This plan, however, would permit religious ideological discrimination in teacher selection and curriculum design.

It was believed that voucher plans would allow parents to select schools which reflected their own educational philosophy and which met the curriculum and learning environment needs of their individual children. Since parents would theoretically pick the "better" schools most of the time, the competition so engendered would force improvement in the quality of all schools, in order to attract and retain students.

CONCLUSION

Education voucher plans would compel all taxpayers to support nonpublic schools which in theory and practice are pervasively sectarian institutions. This would violate the principle of separation of church an state, interfere with the right of taxpayers to support only the religious institutions of their free choice, and violate the First Amendment to the Constitution. Voucher plans would inevitably lead to the fragmenting and balkanizing of education into narrow sectarian, political, ideologi-

cal, racial, sexist, class, and possibly ethnic enclaves. The dividing of children at public expense would certainly not be conducive to community harmony and certainly should not be subsidized by the government. There are serious objections to the various voucher plans currently being proposed.

Voucher funding of parochial and private schools would lead to their proliferation and expansion. This would seriously erode public school support and sooner or later convert public schools into a place for the poor, disadvantaged, minority, and other children not wanted or not accepted by nonpublic schools.

Voucher plans would sharply increase educational costs and taxes. Not only would taxes have to be raised to pay for the addition of a growing multiplicity of parochial and private schools in additon to the public schools already tax supported, but the fragmenting of education would mean declines in economies of scale.

Voucher funding of a multiplicity of homogeneous educational enclaves would reduce the amount of academic freedom, innovative programming, pluralism, and diversity now available to children in public schools.

Switching school finance to a voucher system would be irreversible.

Administering any voucher plan would require red tape more cumbersome than the existing public school systems.

Once public funding of parchial and private schools was institutionalized, the process would be difficult or impossible to reverse.

Because of the adverse affect voucher plans would have on public school systems across the country, the National Education Association is solidly opposed to the enactment of federal and state legislation promoting voucher feasibility studies for the establishment of voucher plans.

Mr. BOUCHER. Thank you, Ms. Futrell. We will be glad to make your full statement a part of the record of this proceeding.

Ms. FUTRELL. Thank you.

Mr. Gregory Humphrey, director of legislation, American Federation of Teachers.

STATEMENT OF GREGORY HUMPHREY, DIRECTOR OF LEGISLATION, AMERICAN FEDERATION OF TEACHERS

Mr. HUMPHREY. Thank you, Mr. Chairman. I am Greg Humphrey and I represent the AFT, which is an organization of about 575,000 teachers, college faculty, and other education personnel. I thank you for the opportunity to present our views today.

The AFT strongly opposes and will continue to oppose the administration's voucher proposal as something that is a great danger to public education and, even worse than that, a fraud and a hoax being played on children who need the title I program as it now stands.

There is an axiom I think that probably applies better to the Congress than anywhere else in this field of endeavor; that is, if it's not broke, don't fix it. There is no evidence at all that the title 1 program is broke. In fact, in the 18 years that the program has been on the books, in the three major revisions and examinations that it has undergone, each of those have produced improvements in the title I program to the extent that now, from all assessments available, title 1 is not only not broke but it is a classic example of a Federal program that is doing exactly what the Congress wants it to do, achieving goals that those of us, even a few years ago, would not have hesitated to say would be the mark of a successful program.

I want to take just a minute to quote from a study by the National Assessment of Education Progress. The terms that are used in here are theirs and not mine, but I think they do make the point.

Disadvantaged youngsters and low achieving students made considerable gains, especially in reading and especially in elementary school. Black low achievers re-

corded the biggest gains, improving their reading and mathematical abilities and holding their own in science.

The study ascribed the gains to federally funded compensatory education programs and the back to the basics movement in reading. This is only the latest evidence of the effectiveness of title 1. Other studies have shown similar results. But despite this study, and every bit of evidence to the contrary, the administration does not seem to change its plans for title I. Two years ago they wanted to block grant it; this year they want to turn it into a voucher program. In fact, it seems clear that, no matter what the evidence of effectiveness, no matter what the evidence of need, they plan to do anything they can with title I except support it to the degree that it really deserves.

It is clear that no amount of evidence presented in this hearing will convince the administration to change its mind, because what they have developed is a political position. It is designed to appeal to a group of people who have an ideological interest in education programs, but I would say they place in second position, if they place it at all, questions of achievement and the needs of children.

There is no question in my mind that all of the points made by the previous witness are absolutely accurate. You cannot, in any way, shape, or form, design a program, give money to parents and allow them to spend it in private schools without invoking questions involving the separation of church and State. You can declare in legislation that this is not to be considered financial assistance, and that is similar to passing a law saying that cancer should not be considered cancer. The fact of the matter is, what something really is is a clear violation of the separation of church and State and is an even greater violation of some of their other proposals, such as tuition tax credits. It is the direct spending of public money in private, religiously affiliated schools. There is no way around that, no matter what anyone wants to call it.

The second point I would like to make regarding the administration's testimony is the comparison that was made on several occasions between title I and Pell grants. There is no comparison between an elementary and secondary education program designed to assist low-income youngsters, who go to school under mandatory State attendance laws, and a program designed to provide assistance to people who are attending postsecondary institutions under a system whereby there is no mandatory attendance but voluntary and optional attendance.

The questions of church and State in postsecondary education are well established as being very different than those in elementary and secondary education, and only one major consideration is consideration of the fact that every State has a mandatory attendance law for public education.

There is no comparison. Title I is not the same as Pell grants. Even if one were to voucher it, it would not be the same sort of program. What you would be doing is providing money in an area where there is mandatory State regulation. There is no way on Earth to avoid that. Comparisons are not only between apples and oranges but they are between two completely separate systems and two completely separate bodies of law.

Second is the question of nondiscrimination regarding title I being used as a voucher. It is true that they placed extensive language in the bill regarding discrimination. None of it, by the way, would deal with questions of discrimination against the handicapped. That was something they didn't mention, the Senate Committee got tied up on and spent many hours and days trying to resolve. The fact of the matter is that all of the mandates passed down by this Congress through 94-142 would not apply to the use of title I money if it were to be allowed as a voucher in private schools.

I would just like to wrap up my testimony by saying that what has to happen with the title I program this year is to maintain it in its current form, to put as much extra into it in terms of appropriations as the Congress can possibly do under the law, and to make the program clear to school administrators, to teachers, and to people on the State level, as fast as possible—and I think this hearing is a good step in that direction—that they don't have to worry about it being turned into a voucher, that they continue to achieve and come up with a remarkable record of success that title 1 has enjoyed over the past few years.

Thank you, Mr. Chairman.

Mr. BOUCHER. Thank you, Mr. Humphrey.

Our next witness is Mrs. Grace Baisinger, president of the National Coalition for Public Education.

STATEMENT OF GRACE BAISINGER, PRESIDENT, NATIONAL COALITION FOR PUBLIC EDUCATION, ACCOMPANIED BY STEPHANIE DEAN, LEGISLATIVE SPECIALIST, WASHINGTON BUREAU, NAACP

Mrs. BAISINGER. Good morning. As you said, I am Grace Baisinger, chairperson of the National Coalition for Public Education, a broad-based group of more than 50 civic, education, civil rights, labor, and religious organizations representing more than 40 million members.

The coalition exists to uphold the principles of public education in America and to defeat proposals such as tuition tax credits and now education vouchers that would threaten the integrity of the public schools and undermine their financing.

With me is Stephanie Dean, who is sitting in for Ms. Simmons, who was called away on another assignment.

Mr. BOUCHER. Miss Dean, we are glad to have you with us.

Mrs. BAISINGER. Miss Dean is legislative specialist for the Washington branch, Bureau of the National Association for the Advancement of Colored People. I will make the opening statement and she is available to answer questions, particularly those that deal with civil rights.

Speaking now for the National Coalition for Public Education, and also as past president of the largest parent organization in the country—that is, the National PTA—I would state here that we are unequivocally opposed to the concept of educational vouchers and the Equal Educational Opportunity Act of 1983. We specifically would like to call your attention to some of our concerns.

Title I, chapter 1, has proven to be—and reports have so shown; we heard the Secretary attest to that fact this morning—one of the Nation's most successful educational programs. Vouchers would not only threaten the success but would surely make a mockery out of the national commitment to disadvantaged children. Vouchers also represent an unacceptable shift, a philosophical shift, in the national educational policy of our Nation. It would create inequities through the myth of parental choice. Choice for the disadvantaged is limited through selective admissions of nonpublic schools, varying tuition costs, geographical location of residents, and lack of information.

Our full statement, which will be incorporated in the record, will detail our other concerns at this point.

I particularly want to stress the fact that the proposed chapter 1 vouchers constitute a major philosophical shift in Federal education policy and thus would seriously threaten the current national commitment to the education of disadvantaged children. Present national policy related to the disadvantaged include vigorous guarantees and safeguards. The voucher proponents would do away with these protections and instead substitute parental choice and the marketplace as the new educational priority. Under the administration's proposal, present assurances such as maintenance of effort, supplement-not-supplant, and comparability of services would not be required of voucher schools, thereby relinquishing public accountability forever.

The Government, in essence, would be providing general aid to schools that would not have to give assurances that the public voucher money they received was, indeed, spent for the intended public purpose, that of providing specific special services to each identified chapter 1 child. Thus, parental choice and private school options for the poor would be severely constrained by admission standards, geography and place of residence, education services available, and tuition cost.

As to the myth of parental choice, I would like to call your attention to the remarkable conclusion from the Alum Rock voucher experience, that despite the use of newspapers, mailings, radio announcements, neighborhood meetings, information counselors, one-quarter of the residents were unfamiliar with even the existence of the voucher program over the 4-year period of the experiment. In short, it defies reality to assume that most of the parents of the very poorest of the Nation's disadvantaged children, who in many cases are themselves the victims of some of society's most difficult social problems, will be aware of and will make the most informed educational choices for their children.

Further, we would call attention to the total administrative process for vouchers proposed by the administration, which has the potential for chaos, giving birth to a new, overblown bureaucracy to administer such a program. Such vouchers, first of all, manipulate State decisionmaking related to voucher plan participation. The amendment allows each State to either mandate State voucher participation or to do nothing, in which case each local education agency can choose or refuse to participate, but the State is not allowed to circumscribe LEA participation statewide even though the

State is constitutionally responsible for the education of its children.

Second, vouchers mean that school districts will have to designate a new bureaucracy. If this administration is so concerned about mushrooming bureacracy, it is hard to understand why they would want to build a new one. If school districts decide to go with the voucher program, they would have to set up many, many staff positions in order to monitor it.

There are several questions we would again like to raise with you, and time does not permit me to give you the specifics of these questions. Certainly in the area of admissions, who regulates admissions to private schools? Who mandates if private or public schools are oversubscribed?

In the area of finance, who would regulate this? Who would determine the exact dollar amount of each individual voucher? What kind of accounting procedures would be required?

The terms of program monitoring, again the question of who regulates this? Must private schools submit a special program plan defining their chapter 1 program objectives? Who is responsible for evaluating private school chapter 1 programs?

On the question of staffing, how could school districts plan for staffing and the budgeting process when they would not know how many children would be taking advantage of vouchers, or recognizing the fact that requirements for staffing school mandate many school districts to notify teachers of layoffs as early as March 15. The voucher plan does not address the issue, but it would appear the school selection process would have to occur early in January for the necessary planning. Then, if there are some changes in the enrollment between January and September, how are schools going to make provision for such?

In terms of the legal problems, if a suit challenging participation of a parochial school receiving vouchers was invoked, who would come to the defense of the local school district, or who would pay the cost of such a legal defense?

The constitutional issue has already been raised by Mr. Humphrey. Certainly in our reading of the three-pronged test which the Supreme Court set down in *Lemon* v. *Kurtzman*, we must conclude that vouchers would definitely be declared unconstitutional. They would violate the principles of separation of church and state. They represent public moneys being used to benefit religious schools and parishes.

In order to assure vouchers are used for nonsectarian purposes and do not advance or inhibit religion, public surveillance and monitoring of schools grounds would be necessary, thereby leading to excessive entanglements. It is certainly unconstitutional in our opinion.

In conclusion, we would simply state that this back door experiment is something that the administration has not been able to accomplish in other ways. This back door experiment at the expense of the most vulnerable, the most disenfranchised and the most dispossessed, must be rejected by Congress as an insidious ploy to deny all children their right to an equal education.

Thank you.

[The prepared statement of Grace Baisinger follows:]

PREPARED STATEMENT OF GRACE BAISINGER, CHAIRPERSON, THE NATIONAL COALITION FOR PUBLIC EDUCATION

Mr. Chairman and distinguished members of this Subcommittee. I am Grace Baisinger, Chairperson of the National Coalition for Public Education, a broad-based group of more than 50 civic, education, civil rights, labor and religious organizations representing more than 40 million members. The Coalition exists to uphold the principles of public education in America, and to defeat proposals such as tuition tax credits and now, education vouchers, that would threaten the integrity of the public schools and undermine their financing. The proposal supporting chapter I vouchers is yet another attempt by this Adminstration to direct scarce public funds to non-public schools and to reduce federal commitment for the education of disadvantaged children. During the past two years, the Administration has pushed for cuts in Chapter I funds for the poor by over $2 billion while simultaneously fighting for a tuition tax credit measure costing approximately the same amount of money exclusively for private schools and for the more affluent in our population. In addition, this Administration has initiated moves to weaken programs for the disadvantaged through major changes in Chapter I rules and regulations. In each case, this frontal assault of public education was fully rejected by the Congress and the American people, but the fact still remains that this Administration is more concerned with the success of private schools and the education of the more affluent than it is with the common schools and public education for all of our children. What it could not accomplish directly through funding cuts and rules changes, it is attempting to do through indirectly through an unwieldly, impractical, cumbersome, ineffective and unfair set of administrative procedures. These procedures could eventually overburden, overwhelm, and consume the public schools while diverting public money to private schools-schools which would be relatively free of the same regulations, accountability requirements, and program audits that are presently required to assure equal educational opportunities for all disadvantaged children. The National Coalition for Public Education unequivocally opposes the concept of educational vouchers and the "Equal Educational Opportunity Act of 1983" for the following reasons:

Title I/Chapter I is proven as one of the nation's most successful educational programs. Vouchers would not only threaten this success, but would surely make a mockery out of the national commitment to disadvantaged children.

Vouchers represent an unacceptable philosophical shift in national educational policy.

Vouchers would create inequities through the myth of parental choice. Choice for the disadvantaged is limited through selective admissions of non-public schools, varying tuition costs, geographical location and lack of information.

Vouchers serve to establish a new layer of bureaucracy creating an adminstrative nightmare for SEA's and LEA's who may now be responsible for regulating two Chapter I programs—the voucher program as proposed and the traditional Chapter I program.

Disadvantaged parents are often the least informed about options available to them and therefore are not equipped to make informed choices.

Vouchers will provide a legal means for parents living in the urban areas to avoid court ordered deregulation.

Vouchers represent a new government subsidy for parochial schools and therefore violate the Constitutional principle of separation of church and state.

SUCCESS OF TITLE I/CHAPTER I PROGRAMS

It is extremely inappropriate that the Adminstration would even consider tinkering with the basic tenets of Title I/Chapter I which has a record of being one of the nation's most successful educational programs. Every major study of Title I/Chapter I in recent years indicates that this program reaches its intended beneficiary (low income, low achieving students) and that it is successfully providing the comparable service intended by Congress without imposing overly cumbersome regulatory burdens on the school districts receiving the funds. In 1977, an NIE study found that first and third grade Title I students not only improved their reading and math scores at a much faster rate than before, but also that their ranking relative to other students improved dramatically.[1] Indidiviual cities have duplicated these positive results.

[1] *The Status of Black Children in 1980.* Oct. 30, 1980, p. 5. Published by the National Black Child Development Institute.

In 1981, a National Assessment of Educational Progress (NAEP) study concluded that the biggest reading gains over the decade were by those students and in those areas where Title I money has been directed—for black children (up 9.9 percent at age 9), in the Southeast and in rural and disadvantaged urban areas.[2] The reading results also echoed NAEP's findings in other areas as well, such as writing and math.

In 1982, the Department of Education and Secretary Terrel Bell joined in the praise for Title I results and accomplishments.[3] ED's five-year study of that program found Title I students in grades 1 to 3 improved their reading by 10 percent to 17 percent more than disadvantaged students who didn't receive Title I aid. In Chicago, according to ED, the typical Title I student improved in reading by at least 4 percentile points on standardized tests in each of the past two years. Some Title I classes as a whole scored as much as 67 percent higher than non-Title I classes of similarly disadvantaged students.

In addition, the National Catholic Education Conference testified before the Advisory Panel on Financing Elementary and Secondary Education that parochial school officials rate the Chapter I programs the most equitable in providing services and benefits to children in private schools.[4] In fact, if a voucher system should be substituted for the current Chapter I program, there is no guarantee that the private schools currently offering such compensatory services would continue to provide them.

VOUCHERS: AN UNACCEPTABLE PHILOSOPHICAL SHIFT

Chapter I vouchers constitute a major philosophical shift in federal education policy and would seriously threaten current national commitment to the education of disadvantaged children. Present national policy related to the disadvantaged include the following vigorous guarantees:

1. Equal educational opportunity.
2. Special funds to local school districts for the purpose of developing supplemental compensatory education programs, primarily in basic skills, to meet the special needs of low-achieving children who reside in neighborhoods with high concentrations of poverty.
3. Assurances that an equal educational opportunity will be maintained through requirements such as maintenance of financial effort, supplement-not-supplant, and comparability of educational services to other programs in the school district.
4. Equal access to educational services and programs.

Voucher proponents would do away with these protections and substitute parental choice and the marketplace as the new educational priority. We would presumably have to buy on faith that the rights of disadvantaged students are protected and that consumerism will ensure quality and equality for disadvantaged children. Under the Administration's voucher proposal, present assurances such as maintenance of effort, supplement-not-supplant and comparability of services would not be required of voucher schools, thereby relinquishing public accountability forever.

The government, in essence, would be providing aid to schools that would not have to give assurances that the public voucher money they received was indeed spent for the intended public purpose, that of providing specific special services to each identified Chapter I child.

Vouchers would do away with this "child benefit" concept, and replace it with a "school benefit" concept. The Administration's voucher proposal would not obligate voucher schools to target Chapter I monies to the respective Chapter I children, but would allow voucher schools to spend the federal assistance on whatever they determined. As a result, monies originally intended to supplement programs for the disadvantaged would be commingled with the school's general operating budget, thereby making it impossible to judge and measure Chapter I success.

Under this system, the government in effect subsidizes the demand rather than the supply of education. While voucher schools would be partly public financed, education would be provided privately. We would now presumably have to rely on market accountability to determine whether the needs of the disadvantaged are being well served . . . from the same market that was totally insensitive and unresponsive to the needs of disadvantaged children in the first place. It must be re-

[2] Ibid., p. 8.
[3] *Education USA*, May 4, 1981, p. 281.
[4] "Toward More Local Control: Financial Reform for Public Education," Dec. 31, 1982, Minority Report, p. 13. Final Report of the Advisory Panel on Financing Elementary and Secondary Education.

called that publically funded schools were first established to provide education for the very poor. How can we now presume that the same system of schools that excluded disadvantaged children will suddenly become altruistic and welcome them as a result of a $500 voucher?

EQUAL ACCESS AND OPPORTUNITY: THE MYTH OF CHOICE FOR THE DISADVANTAGED

Voucher advocates assumes that by giving children from the nation's very poorest families a voucher for approximately $500, they will be able to gain admission to any school of their choice. A look at the "real world" suggests just the opposite. Clearly, the marketplace freely operating will by its very nature include some people and exclude others. This sets up a mechanism that is inherently unequal and favors some people over others. Through the years, the thrust of public education has been driven by the concept of inclusiveness; vouchers will be driven by the appeal of exclusiveness. This appeal would allow those of similar religious, political, social and racial views to band together and exclude those who don't fit in.

Given the fact that disadvantaged students have been ill-served by many private schools in the past, and given the fact that few private schools have located in low-income areas to serve disadvantaged students, we find it difficult to swallow the assumption that now low income students will be better served by choice. In a sentence, vouchers are a vehicle to exclude the disadvantaged from equal educational opportunity resulting in fewer opportunities for the poor.

Decades of controversy over segregation will not evaporate with the introduction of family choice. If government efforts to stem exclusion have only partially succeeded at providing children equal access and opportunity, market mechanisms are sure to fail.

Thus, private school options for the poor will be severely constrained by admission standards, geography, education services available and tuition costs.

Choice and Admissions: With the exception of a narrow provision that prohibits private schools from receiving a voucher if they discriminate on the basis of race, nothing in the law would prohibit non-public schools from excluding voucher applicants on the basis of achievement, handicap, language proficiency, or religion or sex.

Choice and Residence: The Choice of many low income parents would be limited by where they lived and the distance of the private school they wished their children to attend. Even assuming that the lowest cost private schools would agree to accept the most economically disadvantaged children (a doubtful prospect as these low cost schools are overwhelmingly religiously-affiliated and receive substantial revenues from their congregations), choice of non-public schools is primarily limited to the Northeast and North Central regions of the country and disproportionately in urban areas. Rural school children have only ⅓ the opportunity to attend private schools compared to their central city counter-parts. While the South has the largest concentration of low income students, private schools in this region currently serve only 9 percent of Southern students. Even within the same contiguous neighborhoods how are the poorest children to commute without special transportation or how would they afford the transportation if it were available?

Choice and Available Services for the Disadvantaged: The choice of many low-income parents would be limited by the scarcity of educational services. Few private schools have programs designed to benefit students with "special needs." According to the Department of Education, only 5 percent of the Chapter I students attend private schools. If a voucher systems should be substituted for the current Chapter I program, there is little guarantee that private schools would suddenly begin to accept high cost students or rush to open their doors to the public school students who are most disruptive and least achieving. In addition, if one can expect the most prestigious schools to fill up first, what real choice do parents have who are turned away? In effect, the market would be used to discriminate against low incost students.

Choice and Tuition: Should annual tuition exceed $500 (the approximate value of each voucher) which is below the average cost of private schools, can we realistically expect the very poorest families in the nation to finance the additional cost of tuition from their own resources? In fact, it is possible that some private schools will be able to exclude the poorest children by raising tuition costs or raising tuition proportionately to the value of the voucher.

Choice and the Equal Educational Opportunity: The "equal educational opportunity" principle is the proposition that each child is entitled to receive an education at least as good as (equal to) that provided for others. A special provision in Chapter I assures that resources and services under the Act are protected by the equal treatment rules, and guaranteed through supplement-not-supplant, maintenance of effort

and comparability requirements. Under the "Equal Educational Opportunity Act of 1983," the standards which were formerly applied equally to all Title I schools would now be unequally applied depending on where a parent resided and at which school a voucher was cashed in. In the case of a tuition payment for any private school or a public school located outside the school district in which the child resides, a voucher could be used to offset tuition or general public school aid—in essence to supplant it. These same schools, public and private, would be exempted from maintaining financial effort and providing comparable services. On the other hand, if a school district did not wish to participate in a voucher plan that school would be required to comply with all of the above mandates. Certainly an inequitable circumstance, intentionally contrived, to weaken equal opportunity criteria making it impossible for school districts to fairly evaluate or track the effectiveness of special money and destroy the intent of Chapter I.

ADMINISTRATIVE AND OPERATIONAL PROBLEMS

The total administrative process has the potential for chaos. At least, it will give birth to a new bureaucracy to administer a voucher program.

The voucher proposal makes no provision for operational details, but leaves them up to each individual state or individual school district to determine. State and local regulatory efforts will be uneven throughout the country, as each of the 50 states and 14,000 public school districts that presently receive Chapter I would decide how to administer the program.

First of all, the voucher proposal manipulates state decision-making related to voucher plan participation. The amendment allows each state to either mandate state voucher participation or do nothing (in which case each local education agency can choose or refuse to participate), but the state is not allowed to circumscribe LEA participation statewide even through it is constitutionally responsible, in most states, for the education of its children.

Secondly, vouchers mean that school districts will have to designate a new bureaucracy if they decide to participate in the voucher program. Here are some of the major questions related to administering the Administration's proposed voucher plan:

Admissions: Who regulates admissions to private schools? Who mediates if private or public schools are oversubscribed? Is there an appeals process if a parent is denied access on ay basis? What happens to Chapter I parents who do not select any school? How often can children move? Will they receive a new voucher each time they move? If not, will the voucher be prorated for the receiving school? Who is responsible for regulating this process? What detailed record keeping will be necessary? Who certifies that a non-public school meets the criteria established by the amendment?

Finance: Who regulates? Who determines the exact dollar amount of each individual voucher? When in the school year is this determination made? What kind of accounting procedures are required? Must each LEA track each voucher, especially to each private school? Are separate accounting procedures required for both private and public schools? Will each private school receiving vouchers and LEA receiving vouchers be subject to an annual fiscal and program audit? Will a public school district that receives children from another public school district be compensated for staff aid and local property taxes from the sending district.

Program Monitoring: Who regulates: Must private schools submit a special program plan defining their Chapter I program objectives? Who is responsible for evaluating private school Chapter I programs? Must private schools conform to the same teacher certification requirements, school accreditation requirements, and curriculum requirements as public schools? If so, who collects this information? If not, who determines if children in private schools are receiving "equal" services and how shall that be determined? Must the private schools give evidence that each voucher payment has been specifically targeted for disadvantaged students submitting the vouchers?

Staffing: Requirements for staffing schools mandate many school districts to notify teachers of lay-offs by March 15. The voucher plan does not address this issue but it would appear that the school selection process would have to occur in early January for the necessary planning process to properly staff schools. This would be modified; however, if students changed their enrollment between January and September with no provision to reduce staff accordingly. The same requirements on staff planning exists for the budgeting process and projected enrollments for each school.

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Legal: If a suit challenging the participation of parochial schools receiving vouchers was invoked, who will come to the local school district's defense?

(It should be remembered that in 1977, NIE refused to finance the East Hartford, Connecticut school district in any law suit related to an OEO voucher experiment.) Also, who will pay the local school district's legal fees related to law suits challenging desegregation due to massive transfers of students, equal educational opportunity, illegal student dismissal, dispensing of vouchers to private schools not meeting the definition of school, etc.

INFORMATION AND PARENTAL CHOICE

Many reports contend that voucher plans are fundamentally flawed because they incorrectly assume that parents of disadvantaged students would be able to make informed choices about the quality of schools.

Michael Olivas, Research Director of the League of United Latin American Citizen's National Educational Service Centers (LULOC) indicated that unless minority parents have access to information about schools and the ability to digest that information, vouchers would hurt minority school children more they would help them. Poor families always have had less access to information sources on education than the more affluent. High income families usually subscribe to more periodicals, have a better knowledge of existing literature, and are more likely to use libraries than poor families.

A complex voucher system would more likely decrease participation by low income families, as oral information networks would be inadequate to convey compatable data on school characteristics or potential perogatives to organize and establish new schools.[5]

A remarkable conclusion from the Alum Rock Voucher experiment was that despite the use of newspapers, mailings, radio announcements, neighborhood meetings, and information counselors, one quarter of the residents were unfamiliar with even the existence of the voucher program over the four year period of the experiment. In short, it defies reality to assume that most of the parents of the "very poorest" of the nation's disadvantaged children—who in many cases are themselves the victims of some of society's most difficult social problems—will be aware of and will make the most informed educational choice for their children.

RE-SEGREGATION: OPTION TO AVOID COURT ORDERED DESEGREGATION

John Coons and Stephen Sugarman, co-authors of the book entitled "Education by Choice—The Case for Family Control" admit: "The choice of racial segregation, so long as it is free, should be solemnly respected even if the motivation of those (including ourselves) who promote this principle deserves close scrutiny."

There is no question that with vouchers parents would be encouraged to find a school based on their family values, not necessarily based on societal goals such as racial integration. While the present record of public education in integrating values in not the best, vouchers would encourage a system that will begin to re-segregate schools by race and color. This process would overturn years of federal commitment to developing common schools for all and begin to give license to those private schools that admit students along lines of one kind or another.

It will be obvious, due to the broad definition of a school and the narrow civil rights provision in the Administration's voucher proposal, that schools such as "segregation" academies, the KKK, Neo-Nazis, the "Moonies" and other groups will be able to recruit voucher students with implicit public license and little regulation. The reason these schools develop in the first place was special market appeal to a segment of the population that wished to coalesce around other like-minded families.

But most disturbing is that vouchers would allow many communities presently under a court desegregation order to avoid the court mandate and transfer to other schools via a voucher. While this flight is already occurring in some communities, a voucher would provide implicit support for such actions. This would create a government at odds with itself—on the one hand a court system rendering an order to rectify an illegal act and on the other hand a government program providing the mechanism for court defiance. The ultimate cost would be the destruction of a public school system and loss of confidence in the government to govern.

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[5] *Education Daily*, March 3, 1981, p. 1.

CONSTITUTIONAL ARGUMENTS

Vouchers violate the Constitutional principles of separation of church and state because religious schools would be recipients of federal aid.

Since religious schools or parishes would be beneficiaries of vouchers, federal monies would tend to advance and foster religion at public expense.

In order to assure vouchers are used for a nonsectarian purpose, and do not advance or inhibit religion, public surveillance and monitoring on school grounds would be necessary thereby leading to excessive entanglements.

In 1971, the U.S. Supreme Court in *Lemon* vs. *Kurtzman* established its three pronged test for constitutionality—a statute must (1) have a secular purpose; (2) have a primary effect that neither advances nor inhibits religion; and (3) not lead to "excessive entanglements" of church and state. Under this test, vouchers would surely violate the First Amendment's separation of church and state provision, and thereby be ruled unconstitutional.

CONCLUSION

The Administration's voucher plan is no more than trickery—an ill-disguised plan to provide more money to private school and another attempt by this Administration to walk away from the federal commitment to disadvantaged children. The Chapter I voucher proposal is ruinous and we ought not to be misled by the lofty and virtuous objectives that its proponents espouse.

Vouchers would not provide more choices; they would instead limit choices for the poor. Vouchers would not provide diversity; they would lead to re-segregation, social stratification and an educational caste system. Vouchers would not provide quality education for the poor; they would instead destroy one of the nation's most successful and productive educational programs. Vouchers would not provide new opportunities for the poor; they would instead eliminate present governmental assurances that the poor have equal educational opportunities.

Vouchers would not foster competition; they would instead create a means for voucher schools to avoid public responsibilities through a permissive set of standards thereby placing non-voucher schools on a different and more stringent competitive level. Vouchers would not be more efficient; they would instead establish a new layer of bureacracy and procedures that would prove costly and impossible to administer.

In short, the claims of the Administration's voucher proposal are not supported by the details of the plan. Clothed in arguments supporting public purpose, the voucher proposal is in reality a slick gimmick to pursue private ends. The system of public schools governed by public officials and supported by public funds, to overcome political inequalities and privileges in private education is at stake. The real question as proposed by Professor Freeman Butts is "not whether parents shall have more controls over the education of their children, but whether the ideal of a common school system devoted primarily to the task of building civic community among the vast majority of citizens shall be given up in favor of private choice."[6]

This backdoor experiment—at the expense of the most vulnerable, the most disenfranchised and the most dispossessed—must be rejected by Congress as an insidious ploy to deny all children their right to an equal education.

Mr. BOUCHER. Thank you, Mrs. Baisinger.

Mrs. Dean, I understand you do not have a statement but will be available to answer questions.

Ms. DEAN. Mr. Chairman, we do have a written statement we would like submitted for the record.

Mr. BOUCHER. Without objection, it will be made part of the record, as will the written statements of any of the other panel members.

[The prepared statement of Althea Simmons follows:]

[6] *Phi Delta Kappan*, September 1979, p. 8.

PREPARED STATEMENT OF ALTHEA T. L. SIMMONS, DIRECTOR, WASHINGTON BUREAU, NAACP

Mr. Chairman and members of the Subcommitee, I am Althea T. L. Simmons, Director of the Washington Bureau of the National Association for the Advancement of Colored People (NAACP), the nation's oldest and largest civil rights organization.

While the Association has been actively involved throughout its 74-year history in a wide-range of civil rights issues, we are probably best recognized for our long-standing work in the area of equal educational opportunity. The NAACP realized long ago that without equal educational opportunity, minorities would never attain their rightful place in the economic and social mainstream of American life.

The NAACP strongly opposes education vouchers, whether they are optional Title I vouchers which the Administration has opposed, or any other education voucher program. The NAACP takes this position for several reasons: First, vouchers would divide and fractionalize public educaton into a system based on class and erode our public education system which is the only hope for millions of black and other youngsters to acquire an education. It would not, as has been averred, bring competition into the system. Secondly, the voucher proposals are thinly clad attempts to hide the major purpose of education vouchers, which is to provide federal funds to private schools in violation of the Constitution.

We also have strong objections to the provisions of the Administration's bill intended to prohibit discrimination by participating private schools, and it is to these provisions that I direct my comments this morning.

I want to be clear, however, that even should be antidiscrimination provisions be rewritten to cure the defects therein, the NAACP would continue to oppose the use of education vouchers. We oppose the use of vouchers in principle.

To briefly summarize the Administration's anti-discrimination provisions, a private school wishing to participate would be required to submit to the local education agency (LEA) a verified statement that declares it "has not followed a racially discriminatory policy" in the previous 12 months, indicates whether a declaratory judgement or order has been entered against the school and attests that the school meets the eligibility requirements for private schools.

Should the Attorney General receive a complaint against a school alleging with specificity that it has "followed a racially discriminatory policy" the Attorney General may seek a declaratory judgment from a district court upon finding good cause. Once a complaint is received the school must be notified and given an opportunity to respond. The Attorney General may enter into a settlement agreement with the school rather than seek a declaratory judgment.

Once found to have followed a racially discriminatory policy, after one year a school may file a motion to modify the judgment to include a statement that it no longer follows a racially discriminatory policy by filing affidavits describing the ways such policy has been abandoned, the steps taken to communicate its policy of non-discrimination and averring that no discriminatory action has taken place in the preceding year. The order will be modified unless the Attorney General establishes these affidavits as false or that the school followed a racially discriminatory policy.

As I said, these provisions may be intended to prohibit discrimination, but their effect falls short of that goal. And, as those of you who were involved in extension of the Voting Rights Act will recall, the NAACP is much more concerned about the actual effect than the intention.

The proposed anti-discrimination provisions of the Administration's bill closely parallel the provisions of the Administration's tuition tax credit legislation in terms of definitions and the declaratory judgment procedures. The notable exception is that the voucher proposal would not require participating private schools to be 501(c)(3) tax-exempt institutions. No doubt this is meant to avoid entanglement with the tax-exempt status cases before the Supreme Court and the Administration's January 1982 policy reversal on IRS enforcement against schools that discriminate.

When we analyzed the Administration's provisions we discovered no less than nine areas where the language is wholly inadequate:

1. The language defining discrimination is too limited. It does not clearly cover both discriminatory policies and practices and fails to cover employment discrimination.

2. The bill includes an intent standard.

3. The bill grants no private right of action. The only avenue provided to complainants is petitioning the Attorney General.

4. The time limits on varius actions are left indeterminate.

5. The bill would allow a school to avoid action by the Attorney General if its discriminatory policy "has been abandoned" even if it was in existence in violation of the school's verified statement to the LEA.

6. Limited affirmative steps would be required for reinstatement of eligibility.

7. Exclusive enforcement authority is vested in the Attorney General.

8. Education vouchers are defined as not being federal financial assistance.

9. Authority to utilize vouchers at public schools outside the district in which the child resides would disrupt desegregation efforts.

DEFINITION OF DISCRIMINATION

The definition of discrimination in the bill states that: "a school follows a racially discriminatory policy if such school refuses, on the basis of race to (i) admit applicants as students (ii) admit students to the rights, privileges, programs and activities generally made available to students by the school or (iii) allow students to participate in its scholarship, loan, athletic or other programs."

A school which follows a racially discriminatory policy would be ineligible and subject to declaratory judgment proceedings if participating. But this definition is too limited. First of all, both discriminatory policies and practices should be clearly prohibited. For example, in Section 560(b)(3)(A) a school would be found by the district court to have followed a racially discriminatory policy if "such school has, pursuant to such policy, committed a racially discriminatory act . . ." (emphasis added). From our reading of the bill only discriminatory actions pursuant to a discriminatory policy would be prohibited. We know a school may practice discrimination regardless of its anti-discrimination policies.

The language of the bill would exempt from the definition of "racially discriminatory policy" the "failure of any school to pursue or achieve any racial quota, proportion or representation in the student body." (Section 560(a)(4)(B) and Section 560 (b)(8)(B)(II)). Among the evidence the Attorney General or a district court should examine in determining whether a school has a racially discriminatory policy or practice which results in discrimination would be a racial composition of the student body. Yet this very evidence of discrimination would be barred from consideration.

The definition should:

Prohibit the use of any test or device which has the purpose or effect of denying admission, employment, promotion or employment benefits on the basis of race.

Prohibit any policy or practice which bars or limits student rights or participation in school programs or activities.

Prohibit a school from taking any action which results in discrimination.

Should a school be found in violation, the same standards should be met by the school in its attempt to modify the judgment. (Section 560(b)(6)(A)).

INTENT STANDARD

The intent standard appears in Section 560(b)(3)(C) which directs a district court to declare against a school if the Attorney General establishes that the "school has engaged in a pattern of conduct intended to implement a racially discriminatory policy . . ." The same language appears in 560(b)(6)(A)(ii)(III)(c). It is our position that a discriminatory result or effect, regardless of intent, should be the applicable standard. It does not matter whether a school intended to discriminate. If its practices or policies result in discrimination the school should not be eligible to participate.

PRIVATE RIGHT OF ACTION

All action by private individuals or organizations against a discriminatory school would be limited to petitioning the Attorney General with such allegation. No private right of action is provided even if the Attorney General refuses to seek a declaratory judgment.

Because there is no private right of action, provisions of the bill permit the award of attorney's fees only to a school which prevails in a declaratory judgment action. Creation of a private right of action would require that attorney fee awards also be authorized to private parties.

TIME LIMITS

Various time limits in the bill are left indeterminate. These include Section 560(b)(2)(D) where the Attorney General is directed, if he decides not to bring action or enters a settlement agreement, to "promptly" give written notice to a person

making an allegation that the information on which the Attorney General's decision is based is available.

If a settlement agreement is entered into, Section 560(b)(4)(C) requires the Attorney General to provide a copy to any person from whom an allegation has been received against such school, but no time frame is provided. Likewise, once an allegation is made against a school Section 560(b)(2)(C) requires the Attorney General to "promptly give written notice" to the school. In Section 560(b)(2)(D) the Attorney General is directed to give such a school "a fair opportunity to comment . . . ." Again, no time certain is mandated.

VIOLATION OF VERIFIED STATEMENT TO LEA

The bill would allow for a school to avoid action by reaching an agreement with the Attorney General. The misuse of settlement agreements by this Administration, documented in hearings before the House Judiciary Subcommittee on Civil and Constitutional Rights, makes us very leery of this provision. We are particularly concerned that a school could escape action under the language of the bill if it "abandons" its discriminatory policy even if this discriminatory policy was in effect in violation of a school's verified statement to an LEA to the contrary. (Section 560(a)(2))

AFFIRMATIVE STEPS

A year after a declaratory judgment has been made against a private school such school may seek to modify the judgment. (Section 560(b)(6)(A)). In order to do so, a school must file a motion in the district court containing affadavits describing the ways in which its discriminatory policy has been abandoned, the steps taken to communicate its policy of non-discrimination and averring that no discriminatory action has taken place in the preceding year. Unless proven false by the Attorney General, the order would be modified.

These provisions suffer from the same inadequacies discussed above regarding the limited definition of discrimination in this legislation, because it is upon this definition that Section 560(b)(6)(A) is based.

Thus, the changes suggested above concerning the definition of discrimination should also be used to revise this secton. It should also include that a school would be unable to modify the order if it has engaged in any conduct sufficient to constitute a violation of the Constitution or any federal statute proscribing discrimination.

EXCLUSIVE AUTHORITY OF ATTORNEY GENERAL

Section 560(a)(3) grants the Attorney General exclusive authority to investigate allegations of discrimination. There are several problems with this provision.

According to the legislation, the Attorney General could only act upon receipt of an allegation of discrimination. It is thus let to an individual to complain. It is our view that the dangers of the denial of equal educational opportunity require ongoing oversight and monitoring, such as is the charge of the Office of Civil Rights (OCR) at the Department of Education.

Since the voucher of Title I, as proposed in this legislation, or the vouchering of other federal education funds, would still be administered by the Department of Education which maintains OCR as its monitoring and enforcement arm, we believe OCR should also have the responsibility for civil rights enforcement of education vouchers in private schools. This issue is closely liked with that discussed below of Section 559(f) of the Administration's bill which exempts vouches from the definition of federal financial assistance.

The IRS, which enforces 501(c)(3) tax-exempt status for private schools, should also be part of the enforcement process. If the Supreme Court upholds the longstanding policy of denying tax-exempt status to discriminatory schools, incorporating 501(c)(3) status into the eligibility requirements would further insure that discriminatory schools would not be eligible and would provide a mechanism for concurrent IRS authority with the Attorney General and OCR.

FEDERAL FINANCIAL ASSISTANCE

Section 559(f) declares that: "Payments made by a local educational agency pursuant to an educational voucher program under this chapter shall not constitute Federal financial assistance to any local educational agency or school receiving such payments, and a school's use of funds received in exchange for such voucher shall not constitute a program or activity receiving Federal financial assistance."

The NAACP is at a loss to understand how Title I funds are federal financial assistance and how vouchers for the same funds are not. As the Committee is aware, it is through the definition of federal financial assistance that the provisions of the various civil rights acts are made applicable to recipients and programs and activities conducted with feder l funds.

As the above discussion of enforcement illustrates, this provision may be the single most distructive element in the Administration's bill. If vouchers are not federal financial assistance, no OCR enforcement could occur. Since the definition of discrimination provided in this legislation is so limited, the effect of this legislation is to allow provide schools to receive funds without meeting the lawful obligations which such receipt requires.

This provision is a blatant attempt to place these schools beyond the reach of federal civil rights laws.

VOUCHERS AND DESEGREGATION

Another provision of the Administration's vouc!er legislation causes the NAACP great concern because of its potential impact on school desegregation. The provision is that which would allow use of a voucher outside the public school district in which the child resides. We can fathom no rational basis for this provision except to allow parents to escape a desegregation effort or order underway in one school district by utilizing the voucher in another school district.

The impact of vouchers on school desegregation is an area that needs to be addressed. It is easy to see how vouchers could totally disrupt desegregation efforts. While "freedom of choice" is currently a popular method being put forward by this Administration as an alternative to pupil transportation, it is a method that by its very nature perpetuates school segregation and denies equal educational opportunity. Education vouchers are a part of this "freedom of choice" system.

CONCLUSION

In summary, the anti-discrimination provisions of the Administration's bill are wholly inadequate. They would not prevent discrimination from occurring at participating private schools. They would, in fact, by Section 559(f), put these funds and these schools beyond the reach of existing civil rights laws and subject them only to the limited and inadequate provisions contained in this legislation.

The NAACP rejects the concept of education vouchers and finds totally unacceptable the provisions this Administration intends to prevent discrimination. Again, it is not the intent but the result with which we are concerned and these provisions would result in discrimination.

Mr. BOUCHER. Mr. Joseph Scherer, the associate executive director, American Association of School Administrators.

STATEMENT OF JOSEPH SCHERER, ASSOCIATE EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS

Mr. SCHERER. Thank you very much, Mr. Chairman, members of the committee. I am Joe Scherer representing the American Association of School Administrators, which are approximately 18,000 school administrators across the country.

Our comments this morning deal primarily with an effort to implement such a voucher proposal in the seventies in California. That effort to implement the proposal grew out of the Coleman report in the sixties. Following Mr. Coleman's report, Mr. Jencks, who is a Harvard educator, drew up this voucher proposal. In drawing up the voucher proposal, he felt the voucher could accomplish two things: it would be a good device to reduce discrimination, and it might provide equity of opportunity.

Given those two thrusts, Victor Vessey, who had been a Member of the House of Representatives and was at that time in the California Assembly, approached the Sacramento superintendent, who was Paul Salmon at the time, and the board of education and di-

cussed with them the proposal that they might try a voucher experiment, and if they were going to try such an experiment, Mr. Vessey was willing to introduce in the California Assembly a bill that would provide $700 to $800 per student to help implement that voucher proposal. The additional money would be used to cover the additional costs of implementation.

Well, the Sacramento board undertook a very careful study of the proposal. They worked with Mr. Jencks, Mr. Vessey, and they worked with a consultant. After considerable time and effort put into examining the proposal, they concluded it wasn't workable for the following reasons:

First of all, if you allow the student to exercise the opportunity to attend a school of his or her choice, no matter where it is located in the voucher area, you then have to deal with the transportation costs that would go along with such a movement of students. And if we are going to deal with it on an individual choice factor, you can see there is a great deal of difficulty in coordinating such transportation; you raise in your mind who is responsible for recovering the costs of that transportation, et cetera.

Second, what do you do with the students who are already in attendance in the voucher area schools of option? At that particular time most of the schools in Sacramento were filled to capacity. So if children start to exercise options or parents exercise options and they all want to go to one attendance area, what do you do with the students who are already there?

Third, what do you do with dissatisfied students? They make a selection. They want to go to school A. They arrive at school A and for some reason, after being there, they are not happy with the situation. What do we do with the transfers? How soon are you allowed to transfer? You have situations in school districts where assignments of staff are made on the basis of pupil attendance, et cetera. So it raised in their mind a great deal of difficulty of how that would be handled. Would you do this every half-a-year, every month, every 2 months, et cetera.

Fourth, what do you do with the situation when students choose to attend schools which really intensifies your racial isolation? What responsibility does the board have to protect the district and its desegregation plan?

A fifth point which grew out of the Alum Rock experiment, which came after the attempt in Sacramento, as Mrs. Baisinger pointed out, indicated a very important fifth element, and that is the fact that low-income parents simply did not participate as fully in the voucher program in Alum Rock as did the upper income parents.

If we look at the present proposal that is put forward, in our judgment it does not answer any of those questions that I just raised with regards to the Sacramento situation. Those questions essentially remain unanswered today. In our judgment, we think it is incumbent upon people who put forward proposals like that, that they ought to be able to answer those questions, which they haven't done and haven't addressed.

The difficulty still of the transportation issue, the dissatisfied students, remains in this proposal. They haven't addressed, as Mr. Humphrey pointed out, services to the handicapped.

We have a suggestion on the part of this proposal, that the State might bridge the local control of education, which we think threatens and undermines certainly our educational system in this country and the way we have delivered services. The funds in this proposal are not targeted to the disadvantaged. We still are having to deal with the situation that if the parents of poor children are less informed, whose responsibility is it to bring them up to speed? Where are we going to get the money to help them be better informed? How are they going to be able to fully utilize the program, or will they be able to fully utilize the program?

Another point that has not been addressed is this: how will Congress be able to make a judgment with regards to the progress of these programs when you have in one setting, say setting "A", a public school that will use the money for compensatory education, judged against setting "B", a private setting, which in essence uses the money as general aid. How do you compare that? How do you compare the progress made?

Finally, I would say, without being overly dramatic, Booker T. Washington a while back said that in order to hold another person down you have to stay down with that person. Well, Congress has engaged in nearly two decades of reaching out, of reaching out and helping individuals with less opportunity. That program, as everybody has indicated, has been successful. It doesn't make good sense and it is not wise, in our judgment, to further experiment with that experiment.

Thank you very much.

[The prepared statement of Paul Salmon follows:]

PREPARED STATEMENT OF DR. PAUL B. SALMON, EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS

Mr. Chairman, Committee members, my name is Dr. Paul Salmon, Executive Director of the American Association of School Administrators (AASA). AASA is the professional association of school superintendents and other local administrators. We are very pleased to have the opportunity to address the Committee on the topic of the administration's plan to convert Chapter 1 of the Education Consolidation and Improvement Act to a voucher program.

I would like to begin by reviewing some of the history of education vouchers.

The concern for equal educational opportunity has grown throughout this century but was given a boost in the 1960's when the Coleman report pointed out that school achievement frequently was more closely related to socio-economic factors than classroom factors. In fact, according to Coleman, the strongest indicator of academic success was not IQ, but father's income. Following the Coleman report, a number of scholars and educators sought ways to reduce barriers to equal educational opportunities for minorities and the poor. Among those scholars was Christopher Jencks, a Harvard professor who did a review of Coleman's findings. Jencks and his colleagues thought that using vouchers to allow students to attend any public school in the students home school district would be a good device to reduce desegregation and promote equity of opportunity by opening up the finest schools in each district to all students. Jencks defined schools as "public" if they admitted students on a nondiscriminatory basis and if they made public their procedures, standards and the performance of their students. This was to allow parents to have full appropriate information in order to make good choices. All "public" schools which qualified were included in the public voucher area which was administered by a "voucher authority".

Victor Vessey, who later served in the U.S. house of Representatives from California, and was chairman of the Education Committee in the California Assembly at the time, became interested in Jenck's ideas on the vouchers and asked me if I would try them in Sacramento. At that time, I was superintendent of the Sacramento City Unified Schools, a system of 58,000 students, 40 percent of whom were minority. Like most city school systems, Sacramento had an uneven distribution of mi-

nority students throughout its school system and was faced with the decision about how to even out that distribution.

Mr. Vessey proposed that the California legislature enact a law providing $700 to $800 per student to cover the costs of implementing a voucher experiment. The $700 or $800 was about one-half of the cost of educating a student in Sacramento in 1970. The extra funds and the prospect of being able to promote equity of opportunity interested me greatly. The Sacramento Board of Education permitted me to proceed with a study for how a voucher might be implemented in a limited area of the district involving a high school, its junior highs and feeder elementary schools.

Mr. Jencks detailed a consultant to Sacramento to discuss this matter in detail with Mr. Vessey, myself and my deputy superintendent. Following a careful study of the voucher proposal, it was concluded that it would not work in Sacramento for four basic reasons. First, the heart of the plan is to have the student be able to go to the school of choice no matter where that school was in the voucher area. This made transportation of students an individual matter, I speculated that it would require a taxi service rather than a bus fleet, and the district, even with the additional funds, couldn't afford to pay the cost. Second, we were faced with a question of what to do with the students who were in attendance in their neighborhood schools and wished to stay there. At the time our buildings were operating at or near capacity, and if students who lived in the normal attendance zone for a school wanted to stay in that school, the board was going to be forced to either remove them or not admit all other students who wish to attend a school. Clearly the neighborhood school was an impediment to open movement of students on vouchers throughout the school system but it was the apparent choice of most students. A third problem that I could not solve was how to deal with dissatisfied students. For example, if a student changed schools and found that he or she did not like the new school, should the board allow students to transfer to other new schools or back to former schools? In 1970 all our buildings were full and the teaching staff was assigned to schools on the basis of existing enrollment. If large numbers of students sought to move, how could we possibly accommodate them or should we accommodate them, especially if they sought to move based on the short term bad feelings students and parents sometimes have about teachers. Under normal circumstances transfers within the city school system were difficult unless a child's family moved, but if vouchers were to operate as planned and allow free movement of students, the board was going to have to be able to deal with midterm transfers. A fourth and final problem I could not solve concerned students who chose to attend schools which intensified racial isolation. If the voucher system was based on freedom of choice and students chose to further segregate schools, how could the board protect its desegregation plan?

Thus, in Sacramento I concluded that a public school voucher program for free movement within the school system was administratively unworkable and abandoned the idea.

Later the Alum Rock School District, San Jose, California actually implemented a public school voucher plan, with support from OEO and concluded that implementing voucher programs would have a number of difficult problems. One key problem revealed in Alum Rock was that low income parents were not well informed about the program or able to obtain as much information about schools as upper income parents and thus would not participate in the voucher program as fully. This problem would certainly have implications for the legislation in question because it is aimed at low income families.

Now, an administration that questions the federal involvement in elementary and secondary education has developed another voucher plan using not state or local funds but federal funds. Let us consider this voucher plan from the standpoint of a local school administrator. First, the proposed voucher problem would have greater difficulty in handling transportation and dissatisfied students than the plan my board and I examined in Sacramento in 1970. Transportation would be more difficult because, for example, if Maryland opted to participate as a state and a student in Baltimore wished to attend the Montgomery County schools, who would be responsible for that student's transportation? Transportation would be a problem especially for states, such as Pennsylvania, where the state is responsible for both public and private school students. The questions of how far schools would have to transport students and at what cost needs to be addressed. Certainly, the small amount of money available from Chapter 1 voucher program could never cover wide spread student movement. Under the Chapter 1 voucher system, who gets the voucher if a student withdraws during the school term, and what school policies would be required to avoid constant movements of students? Movement of students

directly impacts staff size and assignment; matters which must be managed carefully if schools are to operate efficiently.

Second, the issue of service to handicapped students and whether or not private schools would have to provide services for handicapped students is not addressed in this voucher bill. In fact, the only sort of discrimination which is forbidden in the administration's voucher bill for private schools is racial discrimination. This raises the question of whether schools receiving federal monies under this proposal could refuse to enroll handicapped students. Clearly, the proposal before us would permit private schools to use public funds, without having to conform to the same rules that public schools do concerning access to the handicapped.

Third, funds for Chapter 1 of the Education Consolidation Improvement Act (ECIA) are focused on economically disadvantaged students in need of compensatory education. All students who are not either economically disadvantaged or in need of compensatory education are excluded from services. Chapter 1 now serves fewer than 50 percent of the eligible students. If a voucher plan is implemented, which of the 50 percent would be eligible for services or whould the services be spread "a mile wide and an inch deep" and made available to all eligible students?

Fourth, the law would allow the state to abridge local control of schools and force all school districts in a state to participate, no matter how the patrons of an individual school district feel about the issue of vouchers. This could create hard feelings in the state legislature and in local communities causing the sort of community wide friction which detracts from education.

There are other broader criticisms of the voucher plan that also merit consideration by this Committee and the Congress. First, in our opinion the plan violates the Constitution by involving the government in direct financial support for church related schools. According to the *Digest of Education Statistics* put out by the National Center for Education Statistics about 80 percent of the private school students are in religiously affiliated schols. If students in that 80 percent are eligible for education vouchers, the plan will provide federal aid to religious schools. The statute does specify that the voucher system is not direct federal aid to the schools but merely sayin', that in the statutes does not eliminate the fact that if you give a school a check you have given that school direct financial support and the voucher is, in fact, a check.

The voucher bill also does not speak to the question of what to do with students who are currently enrolled at a school that students with vouchers wish to attend. If a school is participating in the voucher program but does not have any slots available, what do students do that wish to attend that school? And what if the poor are less informed and unable to fully utilize the program? What costs should schools incur to help parents make choices and what kind of help should be given?

Another inequity in the treatment of public schools in this bill is that Chapter 1 funds to public schools are to be used specifically to serve disadvantaged children needing compensatory education. However, when Chapter 1 funds are given to private schools, the funds are basically general aid to education rather than targeted aid to the disadvantaged. Private schools choosing to admit students using vouchers, are not required to deliver any compensatory services. In this case, failure would be laid entirely upon the students because they would not receive any special assistance. In contrast in the public schools the blame for failure to learn rests in part with the school system which is providing special compensatory services.

A final concern of school administrators concerns how program success will be judged. That is, how is the Congress going to know whether or not school people were successful in implementing the program? If funds are spent on compensatory education in public schools and for general aid in private schools, how can valid comparisons be drawn?

One of the strongest arguments against this voucher bill is the fact that implementation of the bill would considerably alter our current system of education wherein states share the cost of local schools and provide general guidelines for operation, but each school district operates its programs according to local needs and wishes. This system has spread control of education broadly, so that no group or system of thought can gain control of the education of our youth, and has allowed our nation to absorb new waves of immigrants and new ideas without great upheaval or tumult. This voucher plan could be a first step in either completely dismantling the current school system, or developing a national system of education to allow open access to students from school to school across the country.

A final question for your consideration concerns why Congress would choose to experiment in a massive way with a program that has begun to work well. Programs operated under Chapter 1 have made a difference for disadvantaged children; why make drastic alterations in the program? Study of the voucher concept may be

in order. Why not ask the Secretary of Education to fund some research on the topic with his discretionary funds? Perhaps the private sector would be willing to fund such research.

The proposed legislation would abridge the nation's commitment to equity. It suffers similar problems of implementation as previous efforts making it virtually impossible to administer without spreading more money on its administration than on the educational programs. Finally, it is a step toward neglecting our present efforts and AASA is unalterably opposed to this voucher initiative.

Mr. BOUCHER. Thank you, Mr. Scherer.

Our final witness is Ms. Linda Darling-Hammond, with the Rand Corp.

STATEMENT OF LINDA DARLING-HAMMOND, SOCIAL SCIENTIST, THE RAND CORP.

Ms. DARLING-HAMMOND. Thank you.

Mr. Chairman and members of the subcommittee, I am here at the committee's request to summarize the results of Rand's research on the education voucher demonstration conducted in Alum Rock, which you have already heard some of. I won't have to repeat all of the findings. I will discuss the conclusions of a paper on the regulation of vouchers prepared by Arthur Wise, a colleague at Rand, and myself. Although my testimony is based in part on research conducted at Rand, these remarks do not represent any policy of the Rand Corp. or of the sponsors of the research.

I will make two points. First, although the Alum Rock demonstration was not in the end a true voucher experiment, it did test how parents make choices among public school alternatives. As Mr. Scherer indicated, the negotiators from EOE went all over the country trying to find a school district that would participate in this voucher experiment. Only one district, of all the districts of the country, could be found that would participate. In that district private school alternatives did not exist. One private school did try to begin to take the vouchers, but it had to fold because it didn't have the capital necessary to really establish its school.

The Federal Government put about $13 million into that voucher experiment, for a very small school district, over the course of about 4 or 5 years, and the alternative of the plan that was eventually accepted was heavily regulated in some respects. It insured access to the programs of choice for the children, for the parents. It had reams and reams and reams of rules and regulations to handle the very problems that Mr. Scherer pointed out. So it was nothing like a free market test, nor is it anything like the proposal that is before the committee today.

Nonetheless, we learned some things from that experiment about how parents make choices and what the results of those choices are. The experiment demonstrated that the parents who used the new alternatives were socially-advantaged parents who already had more choices available to them.

Mrs. Baisinger talked about the lack of information, even with this heavy publicity campaign, which was a disparity between lower income parents and higher income parents. Students, as a result of their parents' choices, clustered by family background in programs, by income level, and by ethnic background, even with a lottery system to offset that effect. Parents did not use cirriculum as their primary way of choosing schools. They used other nonin-

structional factors like the social and ethnic background of other students in the school, the proximity of the school to their home, and the desire to keep siblings together, and other considerations like that.

Finally, parent choice did not improve educational outcomes of students. There is no evidence at all that educational achievement improved for the children whose parents were in the voucher program and who exercised choices.

My second main point is that the primary public policy issue with respect to educational vouchers is not whether parent choice between private or public schools will produce better educational outcomes. It is whether a voucher plan will provide sufficient public accountability for the use of public funds, whether it achieves society's goals for education, and whether parents will have redress for unfair treatment. The need to ensure access and appropriate treatment of students has led us to regulation of public education. It would, in a voucher system, lead to heavier regulation of private education as well, and over time a Federal voucher would increase, not decrease, the Federal role in education.

In the administration's testimony we heard many references to the rights given to the Attorney General, the rights given to the SEA's, and the rights given to the LEAs. There is nothing in the proposal before us that safeguards the rights of parents of children.

The Alum Rock demonstration, if I may backpeddle for a moment, demonstrated also that safeguards are definitely necessary to protect students' vouchers. A number of programs in that experiment were oversubscribed; others were undersubscribed, including that single private school alternative which had to close. Fortunately, arrangements existed for expansion of oversubscribed programs and for transfers of vouchers in case of program failures. Thus, children did not suffer the losing of their voucher because of the vicissitudes of the marketplace. This proposal has no guarantee for the protection of students vouchers if they enroll in a school that later closes, or if they enroll in a school that later pitches them out.

There will be, in the implementation of any new program like this, problems of access, false advertising, inadequate opportunities for certain classes of students that will arise, and someone will have to deal with them. The administration has suggested that the LEA will carry the full burden of enforcement for this endeavor. However, the level of government that funds a voucher system will become the focal point for complaints about how the funds were administered, and political pressures and legal responsibility will naturally come to rest with the Federal Government if it initiates the voucher program itself.

These arguments are developed at greater length in our paper, which I would like to have submitted into the record of these hearings so I won't have to go into them in detail here.

I would like to make just two points in addition to what I have said. One is that there are many ways in which access to educational opportunities can be constrained, in addition to blatant discrimination by race. If schools practice selective admissions of any kind, by academic ability, by gender, by ethnicity, by language dominance, by handicap, or if they charge tuitions above the

amount of the voucher, a certain class of parents will not have equal opportunity to choose.

If the voucher plan is underfunded, as this one is, if parents do not have adequate and accurate information about school options, if the marketplace does not produce desired educational options for children in different neighborhoods or parents of different kinds of children, then equal educational choice will not occur. And if the Government is in the business of trying to insure choice and access, it will have to become involved in policies about State or local financing and private supplementation of vouchers, the extent and accuracy of the information system, the location of educational alternatives of various types, and/or the admission policies of schools.

There is one number that I would like to call to your attention. We have heard many people mention today the fact that chapter 1, currently as structured, provides about $500 per child served in the program for those services. If all eligibie chapter 1 children received a voucher—we know that chapter 1 doesn't reach all eligible children—we would be applying about $200 per child toward an average annual tuition of over $1,000, or tuition in a neighboring public school of closer to $2,000.

The administration talked about using vouchers for gifted and talented disadvantaged students. The fact that we don't serve them now is the reason we are spending $500 per child. And unless I have missed something in the newspapers, I don't believe we have had a proposal to increase chapter 1 appropriations to about $15 billion, which is the amount that would be necessary to make this a true voucher plan for use in a private school.

One final point. If you look at the two areas where some public funding of private educational institutions has occurred—the Secretary mentioned one, the Education for All Handicapped Children Act—and also subsidies for day care of children of low income parents, which are offered in many States and localities, we can begin to get an idea of the degree of government involvement that would prove necessary for the administration of vouchers.

The Secretary talked about Public Law 94-142 as a model of the kind of approach this voucher would provide. He did not mention the degree of regulation that his administration has protested because of the very necessity of protecting the rights of those children if they exercise that voucher in a private sector institution.

I would like to have the remainder of my testimony submitted, Mr. Chairman.

Mr. BOUCHER. Without objection, it will be received as a part of the record.

[The prepared statement of Linda Darling-Hammond follows:]

PREPARED STATEMENT OF LINDA DARLING-HAMMOND, SOCIAL SCIENTIST, THE RAND CORP.

Mr. Chairman, I am Linda Darling-Hammond, a Social Scientist in Rand's Education Program. At the Committee's request, I will summarize the results of Rand's research on the OEO/NIE Education Voucher Demonstration conducted at Alum Rock, and I will discuss the conclusions of a paper on the regulation of educational vouchers prepared by Arthur E. Wise, a colleague at Rand, and myself. Although my testimony is based in part on research conducted at Rand, these remarks do not represent any policy of the Rand Corpolration or of the research sponsors.

I will make two main points. First, although the Alum Rock demonstration was not in the end a true voucher experiment, it did test how parents make choices among public school alternatives. It demonstrated that the parents who used the new alternative were those socially advantaged parents who already have more choices available to them. In addition, research on the Alum Rock demonstration did not find that parent choice resulted in improved educational or social outcomes. Second, the primary public policy issue with respect to educational vouchers is not whether parent choices between private or public schools produces better educational outcomes. It is whether a voucher plan provides sufficient public accountability for the use of public funds, whether it achieves society's goals for education, and whether parents have redress for unfair treatment. The need to ensure access and appropriate treatment of students has led to regulation of public education. It would, in a voucher system, lead to heavy regulation of private education as well. Over time a federal voucher would increase, not decrease, the federal role in education.

OUTCOMES OF THE ALUM ROCK PARENT CHOICE DEMONSTRATION

Before I review the findings of Rand's research on the outcomes of the Alum Rock demonstration, I will briefly explain how that experience differed from a true voucher plan. Most importantly for the proposal before us today, private schools were not included in the experiment. After extensive recruitment efforts by OEO and negotiations with several school districts, in the end only one site, Alum Rock, California, agreed to participate, and the terms of the agreement precluded a true voucher experiment. Although one private school alternative was eventually initiated in Alum Rock to receive vouchers, the school did not attract enough funding and had to close. The demonstration was important, though, because it allowed voucher parents real choice among dozens of school alternatives.* In many ways it offered a great deal more patent choice than the proposal before the committee today because it was designed to ensure access to desired programs.

I will discuss three findings that address questions often raised in debates about vouchers: (1) the degree to which parents are equally well-informed about educational alternatives; (2) the ways in which parents choose schools and the effects that these choices have on groupings of children; and (3) the effects of parental choice on educational outcomes of children.

Parent Information: The Alum Rock voucher program was widely publicized through a variety of media, and counselors were made available to parents to assist them in understanding program alternatives. Nonetheless, after four years of extensive bilingual publicity, a quarter of the parents in Alum Rock did not know the voucher program existed, and a much larger proportion did not have accurate information about the program or the specific schools. Parents of low income levels and lower educational attainment were less well-informed than other parents. Socially advantaged parents had more sources of information, and they developed a more accurate understanding of the rules governing the voucher program than did disadvantaged parents. Although information differences decreased somewhat over time, they reemerged when the system changed.

Program Choices: The single most important factor in parents' placement decisions in Alum Rock was the school's proximity to the home. Although free transportation was provided, only about 20 percent of students attended schools outside their neighborhoods. The alternatives created by the voucher plan proved most attractive to socially advantaged parents. Parents' choices were not primarily guided by curriculum factors. Instead, they chose schools mainly by considering noninstructional factors like the ethnic or social class composition of the school, the desire to keep siblings together, and the location of the school. Finally, parents' program choices

*Ultimately, the demonstration had the following features: (a) voucher parents could enroll their children in any available alternative program (by the third year, there were 14 schools with 51 programs to choose from); (b) free transportation was provided to nonneighborhood schools; and (c) transfers among schools were limited only by available space and by admissions procedures desinged to prevent dramatic racial imbalance. In addition to the noninvolvement of private schools, several other features of a competitive system were absent: (1) minischools did not have control over important features of their budgets, such as staff salaries, nor could they retain all of the additional funds that might be generated by higher enrollments; (2) students were guaranteed a place in their neighborhood schools; and (3) teachers were guaranteed continued employment in the district regardless of the fate of their particular programs. Nonetheless, the plan did create competition among public school programs and it provided new choices for parents. Over the course of five years of the plan's operation, Rand learned some important things about the types of choices parents make and how they make those choices.

resulted in students clustering according to family background factors like income, parents' education level, attitudes and childrearing values in spite of the efforts to ensure equal access.

Student Outcomes. Rand found no appreciable or consistent differences in students' reading achievement growth between regular and parent choice schools in Alum Rock; nor was there any relationship between type of school attended and students' feelings about their school environments, themselves, or their peers. The researchers tested whether parental choice would increase achievement by better matching students' needs and their educational experience. They examined whether children of parents who actively exercised their voucher options had higher reading achievement than other children, and they found no relationship between parent choice and achievement.

In summary, the parent choice experiment in Alum Rock suggested that without significant measures to counteract lack of information and mobility, the choices available to disadvantaged families will be seriously constrained. Even if information services and free transportation are offered, we can expect that a sizeable proportion of families will not be completely informed about available choices, that students will tend to attend schools in their own neighborhoods, and that programs will tend to attract students of similar socioeconomic backgrounds. We should not assume that increased parent choice will lead to increased student achievement.

The Alum Rock demonstration also suggested that safeguards are necessary to protect student's vouchers. A number of programs in Alum Rock were oversubscribed while others—including the single private school alterantive—had to be closed because of insufficient enrollment. Fortunately, arrangements existed for expansion of oversubscribed programs and for transfers of vouchers in case of program failures. Thus children did not suffer lack of educational opportunities due to the vicissitudes of the marketplace.

REGULATION OF VOUCHERS

This brings me to my point: that the choice one faces in designing and implementing a voucher plan will not in the long run include the possibility of an unregulated market. Students' rights to fair treatment in the educational system and to equal access will have to be protected. If the government does not develop regulations that protect students' educational opportunities, the courts will assume that role.

There is no reason to believe that the historical forces that have led to pluralistic public decisionmaking concerning education will disappear under vouchers. Forces that push us toward regulation—the need for ensuring accountability, equity, quality and efficiency will not be magically answered by the marketplace. Instead, as problems of access, false advertising, and inadequate opportunities for certain classes of students arise in the voucher system, the bureaucratic apparatus associated with public schooling will reemerge, only it will grow at the federal level (in the case of a federally-funded voucher) rather than at the local level. The level of government that funds a voucher system will become the focal point for complaints about how these funds are administered. Politicial pressures and legal responsibility will naturally come to rest with the federal government if it initiates a voucher program.

These arguments are developed at greater length in the paper "Education by Voucher: Private Choice and the Public Interest" that I will ask to submit into the record for these hearings. In the time that remains, I would like to summarize two key points that concern access and quality.

Problems of Access: The decades of controversy we have seen in education over segregation along lines of social class, ethnicity, academic ability, gender, and physical or mental handicap will not evaporate with the introduction of family choice. Some families' choices will then, as now, result in the exclusion of others, only no recourse will exist for those excluded unless the market is regulated. The problem is not one of simply forbidding discrimination against children with specific characteristics. There are many ways in which access to educational opportunities may be constrained.

Unregulated vouchers would result in certain classes of parents not being able to secure the quality of education they want for their children if schools are allowed to practice selective admissions of any kind (e.g., by ability, gender, ethnicity, language dominance, handicap, etc.) or if they are allowed to charge tuitions above the amount of the voucher. As we have seen in the public sector, ensuring real equality of access to education is not a simple undertaking. In a voucher system, the government's responsibility to parents and children would be even greater than it is now. Currently, the government ensures children a right to education; under a voucher

system the government assures not only a right to education but also a right to educational choice.

To quote from the proposal before us, entitled the "Equal Educational Opportunity Act of 1983," the purpose of the voucher would be "to improve the educational achievement of educationally deprived children by expanding opportunities for their parents to choose schools that best meet their needs. . . ." Real opportunities for choice will not occur if the voucher plan is underfunded, if parents do not have adequate and accurate information to make sound decisions about school options, or if the marketplace does not produce desired educational options for parents in different neighborhoods or parents of different kinds of children. The proposal before the committee makes no provision for adequate funding, for adequate information, for transportation or provision of neighborhood alternatives, or for access to desired programs. To ensure real choice and access, the government would have to become involved in policies about the state or local financing and private supplementation of vouchers, the extent and accuracy of the information system for parents, the location of educational alternatives of various types, and/or the admission policies of schools.

Problems of Quality. As I have noted, although the purpose of this proposal is to "improve the educational achievement of educationally deprived children," we have no evidence that parent choice results in increased student achievement. Nor do we have evidence that the mere existence of alternatives will provide better educational options, especially for the children we are concerned about here. My simple arithmetic shows that if all eligible Chapter I children received a voucher, each would have about $200 to apply toward an average annual tuition of over $1,000 in a private school or closer to $2,000 in another public school district. It is out of the question to expect low-income parents to make up these cost differentials. So we have here a plan that would dilute the quality of public school Chapter I programs, that would provide vouchers too small to purchase tuition at almost any existing private institution, and that would preclude the possibility of adequate funding for new schools that might emerge to accept the vouchers. Such schools, if begun, would operate on very low budgets and would have a high probability of failing. If a student had invested his voucher in a school that later closed, the student would be left with no voucher at all.

Even if this gross underfunding did not exist, however, how would we know if increased quality has occurred? If the government chooses not to regulate schooling inputs—personnel or curriculum requirements, for example—it must at least know something about schooling processes or outcomes in order to judge quality. Some voucher advocates and others concerned with preventing private school regulation have suggested using standardized achievement test scores as a measure of school quality. This poses still other problems. If people were to accept such a measure as an accurate indicator of what the school does, the perceptions of school quality as an extension of student body composition that have hampered integration efforts along all the dimensions discussed earlier would be strengthened. The segregative effects of such perceptions would be exacerbated. Schools that serve low-achieving students would be viewed as inadequate institutions. Institutions would have little incentive to locate in neighborhoods where students have been ill-served in the past, or to accept such students as part of the student body. Thus we come full circle to the problem of ensuring access.

We have seen over the past two decades now pressures for school accountability have given rise to financial regulation, program regulation, regulation regarding access, and mandates like minimum competency testing in the public educational sector. How will public officials be able to answer these same concerns with respect to funding of the private sector without mechanisms for obtaining information about schools and mechanisms for assuring that parents' and students' newly acquired rights to educational choice are protected? If we look at two areas where modest public funding of private educational institutions has occurred—under the Educational for All Handicapped Children Act and through subsidies for day care for children of low-income parents—we can begin to get an idea of the degree of government involvement that would prove necessary for the administration of vouchers.

It is clear that substantial regulation of a voucher plan would prove necessary as concerns about access and quality emerge over time. What is not clear is whether regulating the private marketplace will prove to be more effective and efficient in the long run than the means we have already developed for delivering education through the public school system. I do not know the answer to this question, but I

urge the Congress to consider these issues in its deliberations about enacting a voucher proposal.

Education by Voucher: Private Choice and the Public Interest*

(By Arthur E. Wise, Linda Darling-Hammond)

OVERVIEW

Recent dissatisfaction with public education has led to numerous proposals for increasing school quality and family choice through mechanisms like publicly-funded vouchers or tuition tax credits. Proponents of those reforms argue that a competitive market approach to the provision of schooling will increase school quality—or at least parental satisfaction with their children's schools—and improve the efficiency of public spending on education. Their arguments are directed at the perceived shortcomings of public school systems and are built on assumptions about how the introduction of private market mechanisms will overcome these problems.

The public shools have evolved to their current form to accommodate a variety of forces: legislative desire for financial accountability, state interest in prescribing minimal equity and quality standards, interest group pressures, and more. The forces have shaped a school system which serves public and personal interests through a bureaucratic—somewhat centralized, somewhat uniform—apparatus. It is naive to believe that the forces which have shaped American education will disappear with the introduction of vouchers. Indeed, some underlying pressures will be exacerbated by vouchers. Hence, we must anticipate that these forces will give rise to legislation, regulation, and bureaucratization intended by the political system to control education. The unknown factor is the extent to which market accountability will substitute for bureaucratic accountability in the political system. Against this unknown factor must be arrayed another unknown. How much more (or less) will the political system regulate private providers than it has its publicly-elected providers?

INTRODUCTION

The last decade of public discourse about public education has revolved around concerns that educational quality is declining, that bureaucratization is reducing school responsiveness, and that school managers are not sufficiently accountable for fiscal and programmatic decisions. The public schools, many think, have become ineffective and inefficient deliverers of educational services. Proposed solutions to the perceived problems of public education range from state- and federally-enacted accountability plans to deregulation efforts to vouchers and tuition tax credits. Each of these proposals is based upon a different theory of how effectiveness and efficiency can best be achieved, and each emphasizes the attainment of different goals for the educational system.

We have argued elsewhere[1] that certain policies intended to increase school system effectiveness through bureaucratic accountability schemes have instead created inefficient, dysfunctional consequences because they are based on inaccurate conceptions of the educational process and the ways in which school organizations operate. In this paper, we examine whether an alternative scheme—vouchers—can solve the effectiveness and efficiency problems of the educational system through the mechanism of market accountability.

In order to discuss effectiveness and efficiency in a meaningful way, it is necessary to place them in the context of goal attainment; that is, we need to examine the effective and efficient accomplishment of some desired objective(s). Thus, we treat these concepts as adjectives rather than nouns, as descriptive of means rather than ends. We use effective to mean the degree to which a desired result is achieved, and efficient to mean the degree to which the result is achieved without waste or excess cost. We approach the problem by examining, first, how public schooling has evolved to meet societal goals and how it has responded to competing public concerns. We then turn our attention to the proposals and responses of

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[1] Arthur E. Wise, *Legislated Learning: The Bureaucratization of the American Classroom*, University of California Press, Berkeley, 1979 and Linda Darling-Hammond and Arthur E. Wise, *A Conceptual Framework for Examining Teachers' Views of Teaching and Educational Policies*, the Rand Corporation, N-1668-FF, February 1981.

voucher advocates, evaluating them in the light of the forces that have shaped public education in this country.

THE GOALS OF PUBLIC EDUCATION

Public schools have been created primarily to meet the state's need for an educated citizenry. Those on both sides of the voucher issue agree that "the reason that so much of our social resources are devoted to education is that the reproduction of our social, economic, and political system depends heavily on preparing the young to understand and participate in that system." [2] State goals include:

Socialization to a common culture (education to meet social needs);

Inculcation of basic democratic values and preparation of students to responsibly exercise their democratic rights and responsibilities (educational to meet political needs); and

Preparation of students for further education, training, and occupational life (education to meet economic needs).

The common public school has evolved as the presumably most efficient means to achieve state goals. Because the public school is embedded in an egalitarian legal system, equality of educational opportunity is an additional, important value that has helped to shape the common school. Equality is both an outcome goal for the public school system in its role as the great equalizer for society-at-large and a process goal of the system in its approach to all of its other objectives.

Yet individual consumer (parent or student) goals often diverge from state goals. Individuals have different social, economic, and political goals, and very often disagree on how to pursue even the commonly-held goals. The tension between state goals and individual goals is addressed, if not resolved, by allowing some choice in the common school system. Local control of schools, in some locations, gives like-minded parents the opportunity to influence the schools. State, federal, and judicial action provided other means for individuals to influence the schools. Those unhappy with the public schools can (at their own expense) choose to send their children to private schools. Within the public schools, alternative curricula and "attention to individual differences" provide some diversity.

Nonetheless, many critics have argued that the pursuit of efficiency and equality in the attainment of state goals has driven the public schools toward centralization, standardization, and bureacratization.[3] These developments have led to the view that public school quality is declining and that the modest choice in the system is being smothered. Because governmental efforts to regulate school quality must be implemented through bureaucratic means, the drive toward efficiency may bear the seeds of its own destruction.

Critics of these developments have proposed reforms intended to promote greater efficiency and choice. With respect to the inefficiencies resulting from centralization, they have proposed decentralization, debureaucratization, and community control. With respect to the lack of choice, they have proposed alternative schools. Whether any of these reforms has been adequately tested is an open question. Yet none has captured the amount of attention as has the idea of educational vouchers.

Proponents argue that vouchers will increase choice and efficiency by promoting competition among public and private schools. Their claims must be assessed by evaluating the extent to which state and individual goals are likely to be achieved in a voucher system. What also remains to be demonstrated is whether schools which afford choice can be both efficient and equitable, individually and collectively. The public now pays for and provides education for most children. Bureaucratic accountability is the means by which the public knows whether the schools are achieving the state's goals efficiently and equitably. Consumers decide whether the schools (public and private) are achieving individual consumers' objectives. Under vouchers the public would be paying for most of the cost of education for all children and providing a large share of it. Consumers can, of course, continue to decide whether the schools are achieving their personal objectives. What mechanism will the public have for knowing whether the schools are achieving the state's goals efficiently and equitably? The answer to this question is complex. We try to answer this question as a way of judging the feasibility and desirability of educational vouchers.

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[2] Henry M. Levin, *Educational Vouchers and Social Policy*, Stanford University, Institute for Research on Educational Finance and Governance, July 1979, p. 15.

[3] See, for example, Arthur E. Wise, *Legislated Learning*; Ralph A. Smith (ed.), *Regaining Educational Leadership: Critical Essays on PBTE/CBTE, Behavioral Objectives and Accountability*, John Wiley & Sons, Inc., New York, 1975; and John W. Meyer, *The Impact of the Centralization of Educational Funding and Control on State and Local Organizational Governance*, Stanford University, Institute for Research on Educational Finance and Governance, August 1979.

A BRIEF REVIEW OF PUBLIC EDUCATION

At the heart of the voucher debate is the question of where authority should rest for making decisions about individual children's education. The fundamental differences of opinion that exist about the relationship between state authority and education reflect competing notions of democracy itself,[4] as well as the role of education in a democratic society. The evolution of public education provides a baseline for assessing the contrapuntal perspective of current voucher advocates.

We should begin by asking a basic question: Why don't we leave education completely in the hands of parents? We do not leave education in the hands of parents because parents are unequally able to prepare their children for their social, economic, and political roles as citizens in our society, and because a common view of the requirements of full citizenship seems best served through a common educational system. We began to provide free public education in this country to compensate for the fact that families had different abilities to bring education to their children. Publicly-funded schools were first established to provide education to the very poor; other parents banded together to establish local schools or sent their children to private institutions. The provision of education was at best uneven and, at worst, totally haphazard. Subsequently, however, we established states and in the process wrote state constitutions. State constitutions generally require the state to establish and maintain a system of free public schools. State laws compel attendance at these schools. For its own benefit, the state insists upon the education of its citizenry. States have delegated responsibility for the operation of schools to local school boards. However, because different communities are unequally able or willing to provide education, the states have regulated the quantity and quality of education available to students. Over the years states began to develop standards to force local communities to provide education of a certain quality; they mandated the curriculum. In some instances, they mandated minimum qualifications for teachers; they mandated minimum per pupil expenditures; and now they even mandate minimum outcomes.

Students (or their families) are constrained in their legal ability to reject the state's largesse. They may send their children to private schools at their own expense, though these schools must meet certain minimum state requirements. Under very limited circumstances, the state may permit parents to educate their own children. In short, the state has demonstrated a strong interest in controlling the quantity and quality of a student's education. Education is much less a right—which the student or his family may claim or reject—so much as an obligation which the state compels.

Throughout our history, we have had conflicting views of education. One view has tended to be more dominant than the others. The farmers of the state constitutions argued for the need for public education in order to produce an educated citizenry, in order to properly socialize children. Their interest was less a concern for the individual than a concern for the society. A somewhat different view of education is that it must be provided to the individual so that he can become a proper citizen, prepared to exercise intelligently the rights of citizenship in a democratic society. A radically different view is that education is a private good, primarily for the betterment of the individual. In this view, maximizing individual welfare will maximize the welfare of society. This view is reflected in voucher proponents Coon's and Sugarman's initial assumption that "society's sole objective in education is the best interest of the individual child. . . "[5]

These differing views have been with us for a long time and they remain with us.[6] At base, they encompass different views of the primacy of pluralist and individual rights in a democracy. Sometimes we focus more on one and sometimes more on the other. In the main, we have tended to focus more on a pluralist conception of democracy. We have rationalized public support for education on the basis that it is necessary for the betterment of society rather than for the betterment of the individual. We have governed publicly-supported education through the pluralist political process for the same reason.

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[4] Thomas James, "Tuition Tax Credits and the Pains of Democracy," *Phi Delta Kappan*, May 1982, pp. 606-609.

[5] John E. Coons and Stephen Sugarman, *Education by Choice—The Case for Family Control*, University of California Press, Berkeley, 1978, p. 35.

[6] Over 200 years ago, Thomas Paine proposed a voucher plan in *The Rights of Man*, while Adam Smith argued for at least partial parential funding of education to preserve its quality. For discussions of the parental philosophies underlying their proposals, see E. G. West, "Tom Paine's Vouch Scheme for Public Education," *Southern Economic Journal*, Vol. 33, January 1967, pp. 378-382 and Adam Smith, *The Wealth of Nations*, Random House, New York, 1937.

Looking back to the early part of this century we can see the manifestation of these competing notions of education. Public education, especially in our largest cities, was built up by industrialists anxious to socialize them the immigrants who were then coming to our largest cities, to socialize them so that they could take their place in the industrial machine that America was becoming. The prevailing view that education was necessary to socialize people to take their places in the industrial machine gave way, for a little while, in the twenties and thirties, to what came to be known as the Progressive era in American education. There we developed a somewhat different view under the intellectual leadership of John Dewey and others. The idea was that democracy rested on the education of the individual child, that it was the purpose of education to develop the individual's potential, so that he could not only accept his place in society—not only take his place in the industrial machine, if you will—but also be prepared to challenge society when he judged that it was necessary to do so. The Progressives aimed to make pubic schools more attentive to the differential needs of individual students and to the development of individual autonomy though schooling. The 1920s also saw the articulation of private rights to free choice in eduation in the Supreme Court's decision in *Pierce* v. *Society of Sisters* affirming the rights of parents to send their children to private schools.

As World War II began, Progressive views receded in importance. Education became part of the machinery necessary to prepare us to cope with the problems brought by World War II. After the War, we continued to hold the view of education as necessary for social and economic betterment. The view was dramatically reinforced in the late fifties when the Russians launched Sputnik. That event catalyzed latent sentiments and induced us as a nation to enact the National Defense Education Act. That Act contained a number of features which strengthened many aspects of the education system at the elementary and secondary as well as the higher education levels, but the rationale was preparation for national defense. That law, and its view of education, lasted until the mid-sixties when a new national problem came to the fore. That, of course, was the problem of unequal opportunity; realization of the problem culminated in the War on Poverty and, with it, the Elementary and Secondary Education Act of 1965. There we began, for a short time, to have a slightly different view of education—we tended to view it as being important for individual betterment. We tended to speak of equal opportunity for individuals. We tended to speak of education as an opportunity and a right which was to be made available to all students so that they could develop their own talents. At the same time, however, the concept of equal educational opportunity, advanced in court decisions like *Brown* v. *Board of Education*, *Serrano* v. *Priest*, and *Lau* v. *Nichols*, has enlarged the freedom of relatively powerless groups of citizens by limiting individual rights of private association. As Thomas James observes:

"These decisions have attempted to break down separate spheres of interest in order to guarantee equal protecation. They rationalize individual entitlements in relation to a whole in which citizens are theoretically equal, rather than in relation to existing forms of association in which resources are distributed unequally. Most important, they assert the primacy of collective authority over individual interest in deciding how children will be socialized in the institutions of elementary and secondary education that are under public control." [7]

The formulation and enforcement of equal protection laws have been based on a pluralist view of democracy, in which the state has an obligation to distribute its resources and services equally, and these resources are defined quite broadly. This conception guarantees greater collective rights by effectively limiting private rights of association, authority, and exclusion on the part of both individuals and institutions.[8] It requires that public (and, to a lesser degree, private) institutions be governed by elected officials responsible to the broader populace in accordance with collective notions of what is in the best interests of the state as well as of the individual child. The size of the collective group to which schools are held accountable has progressively grown over the past two centuries, with the emergence of state and then federal interests of the state as well as of the individual child. The process of political integration that has occurred in America as well as other nation-states has enlarged the basic constituency with which educational systems are in exchange.[9]

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[7] Thomas James, "Tuition Tax Credits," p. 608.

[8] Ibid.

[9] John W. Meyer and Brian Rowen, "Notes on the Structure of Educational Organization," paper presented at the Annual Meeting of the American Sociological Association, San Francisco, California, August 1975 (mimeo), p.16.

The increasing influence of more inclusive authorities has tended to decrease the amount of influence which the individual parent has over his child's education. In fact, it might be argued that each widening of the sphere of authority was intended to do just that.

Governance structures

Coons and Sugarman argue an elegant case for family control over educational decisions. They contend that the student's family is the agency best equipped to watch out for the student's educational welfare. The state, they argue, is less likely to maximize the student's welfare. The history of schooling in America reveals that school governance has operated on a radically different premise. The evolution of school governance structures has progressively driven wider wedges between the family and the student. In order to predict the consequence of vouchers, we must examine this development and its causes.

Part of the story is poignantly told by David Tyack in *The One Best System*. During the nineteenth century, there arose the belief among reformers that there was but "one best system" of education. This system was developed by reference to the then-existing deficiencies of local education, with centralizing reforms addressed at the most egregious results of an arrangement that lacked standards of educational practice and mechanisms of accountability. The system began the process of preventing the exercise of discretion by parents in behalf of their children's education:

"Community control of schools became anathema to many of the educational reformers of 1900, like other familiar features of the country school: nongraded primary education, instruction of younger children by older, flexible scheduling, and a lack of bureaucratic buffers between teacher and patrons. As advocates of consolidation, bureaucratization, and professionalization of rural education, school leaders in the twentieth century have given the one-room school a bad press, and not without reason. Some farmers were willing to have their children spend their school-days in buildings not fit for cattle. In all too many neighborhoods it was only ne'er-do-wells or ignoramuses who would teach for a pittance under the eye and thumb of the community. Children suffered blisters from slab seats and welts from birch rods, sweltered near the pot-bellied stove or froze in the drafty corners. And the meagerness of formal schooling in rural areas seriously handicapped youth who migrated to a complex urban-industrial society." [10]

The search for the one best system was further fueled both by the belief in the need to socialize all to the dominant Anglo-American culture and by the egalitarian movement that began to take hold during the era of industrialization. During the latter part of the nineteenth century, the idea of privately financed education for the upper classes (with publicly financed education for paupers) gave way to the idea of the common school for all. If America were to become an efficient industrialized nation, then the masses would need to be educated. If America was not to be a collectivity of diverse ethnic and language groups, then a common school experience would need to be provided for all. The common public school for students of all social classes and ethnic groups became the dominant model. The same education for all in integrated settings became the principle (though not yet extended to most racial minorities or to handicapped children).

In the course of pursuing one best and more inclusive system, the professionals began to assume control. The remedies included consolidation of schools, transportation of students, expert supervision by superintendents, "taking the schools out of politics," and professional training for teachers. The techniques which the professionals used were adopted from the technology and forms of organization which they saw emerging in industry:

"They sought to replace confused and erratic means of control with careful allocation of powers and functions within hierarchical organizations; to establish networks of communication that would convey information and directives and would provide data for planning for the future; to substitute impersonal rules for informal, individual adjudication of disputes; to regularize procedures so that they would apply uniformly to all in certain categories; and to set objective standards for admission to and performance in each role, whether superintendent or third-grader. Efficiency, rationality, continuity, precision, impartiality became watchwords of the consolidators. In short, they tried to create a more bureaucratic system." [11]

[10] David B. Tyack, *The One Best System*, Harvard University Press, Cambridge, Mass., 1974, p. 14.

[11] Ibid., p. 23.

While most of the construction of the one best system took place at the grass-roots level, critical steps were taken by state legislatures, which enacted policies designed to divorce schooling from the local, political process and to place its control in the hands of professionals. These "progressive experts" concluded that:

" 'No one can deny that under existing conditions the very salvation of our cities depends upon the ability of legislatures to enact such provisions as will safeguard the rights of citizens, take the government from ignorant and irresponsible politicians, and place it in the hands of honest and competent experts.' Like Draper, they disdained the electorate of the great cities; like him, they wondered if it might not be possible to 'safeguard the rights of citizens' by disenfranchising or at least weakening the power of the wrong sort of people by means of state action. They shared this distrust of the democratic process with a number of patrician reformers and conservative social scientists who urged reforms to take not only the schools but urban government itself out of politics." [12]

"Protection of citizens' rights" meant a weakening of community control over education. The action by state legislatures continued the severance of family control over educational decisions.

In general, throughout the twentieth century, the progressive bureaucratization of schooling has continued. Local school systems have become increasingly subject to direction from state school boards and state legislatures. Beginning in 1954, the courts have exerted a major influence over local school decisions. Beginning in 1965, the federal government also became a major influence over local school decisions. And in the late 1960s, state legislatures stepped up their efforts to influence local school decisions. Each of these developments was caused by public desires for more equal treatment and more accountability in the public schools. However, with each of these major steps, school decisionmaking has become more rationalized, regulated, and proceduralized.[13]

School governance changes over the past century have been driven primarily by the principle of inclusiveness, both with respect to including more children in the common school experience and with respect to including larger segments of the polity in the jurisdictions responsible for making educational policy. Beginning with groups of families, we now include state and federal "communities" of interest in various decisions affecting local schools. Thus, a greater variety of pupils are served in the public schools, and a greater variety of pluralist interests are represented in the fashioning of policies affecting any individual child, school, or school district. These interests often represent a wider range of concerns and/or educational tastes than are present in the local school or school district community itself.

What emerges is a tension that Thomas Green refers to as the dialectic between the "best" principle and the "equal" principle. The "best principle" is the proposition that each student is entitled to the education that is best for him; the "equal principle" is the proposition that each is entitled to receive an education at least as good as (equal to) that provided for others.[14] The "best principle" typically operates through the political system where group interests generate client definitions of needs that will be accommodated if political accountability mechanisms operate effectively. Minority points of view suffer unless sufficient public consensus about certain needs can be achieved. The "equal principle" is seen at work in the legal system where individual rights to equal treatment are translated into state duties which must be performed collectively. These rights are enforced by state agencies responsible for implementing regularized policies or by individuals who seek recourse to legal accountability mechanisms. The satisfaction of the "equal" principle requires formal accountability mechanisms that include objective standards of equality that are uniformly applied, leaving less room in the system for individual decisions about what is "best" in particular cases. The state must resolve the dialectic between "best" and "equal" through formal systems or processes that consider the needs and rights of groups of children. Voucher proposals pose the prospect of resolving the dialectic primarily through personal interchange between parents and schools with respect to what is best for the child.

Finance structure

As already noted, public education in America has entertained (often simultaneously) two views of the relation of society, school, and student. In the first view, education is an obligation which society imposes on the student for its benefit. Edu-

[12] Ibid., p. 131.
[13] Arthur E. Wise, *Legislated Learning*.
[14] Thomas F. Green, *Predicting the Behavior of the Educational System*, Syracuse University Press, Syracuse, 1980, p. 114.

cational finance then is concerned with the adequacy of resources available to the school to educate the student to the level which society demands. Through the first half of the twentieth century, this view of education has dominated. Under this justification, states provided aid to local school districts which did not have sufficient resources to provide the "minimum foundation program." Sometimes such state aid was also justified as increasing equal educational opportunity. However, to speak of an "equal opportunity" to be subjected to a state-imposed obligation is to stretch the usual meaning of opportunity.

A second view of the relation of society, school, and the student began to come into focus at mid-century. That view is that education has some of the characteristics of a "right"—a right which society makes available to the student through schooling. The view received its still most famous encapsulation in *Brown* v. *Board of Education* in 1954: "[The opportunity of an education], where the state has undertaken to provide it, is a right which must be made available to all on equal terms."

Under this dual conception of the relation of society, school, and student, two versions of a question remain. How much must the state invest in each student to achieve it objectives? To what quantity of educational resources is the student entitled? The question, in both its forms, is the subject of continuing litigation and legislation.

The New Jersey Supreme Court, embracing in large part the first conception of the relationship between society, school, and student, has said that the state must provide sufficient resources to purchase ". . . that educational opportunity which is needed in the contemporary setting to equip a child for his role as a citizen and as a competitor in the labor market."

This edict does not require equal access to the state's resources or equal educational spending. Rather, it requires that school districts and the state engage in a goal-setting and assessment process that will evaluate the "adequacy" of the education each student receives. On the other hand, the California Supreme Court has ordered that every student is entitled to nearly the same level of resources: equal per pupil expenditures (within a $100 range) apart from categorical special needs aid. This approach is more clearly directed at the provision of equal educational opportunity.

The federal government has adopted a more categorical approach. Federal involvement in educational finance has been justified primarily with reference to social needs that can be met by schools. The Vocational Education Act and the National Defense Education Act were enacted to ensure a well-trained work force to serve the nation's economic—and, in the latter case, political—needs. The social benefits of education to which the federal government has paid attention in recent years are also viewed as individual benefits, though not necessarily rights. Federal efforts to ensure equal educational opportunity are meant to realize basic tenet of democratic society—equal treatment—as well as "to create and sustain a system of social mobility in which a child's income and occupational status are not linked inextricably to those of his parent." [15] These efforts encompass both nondiscrimination and compensatory approaches that are justified by the social, political, and economic benefits accuring to the state, as well as the individual benefits accruing to the students who would be unfairly treated or less well-served in their absence.

The implicit view of the relation of society, school, and student in federal legislation is not always clear. For example, Title I of the Elementary and Secondary Education Act provides compensatory education to some educationally disadvantaged children who come from low-income families. Access to these additional resources and services is protected by equal treatment rules, but receipt of services is not an absolute entitlement. The more recent Education for All Handicapped Children Act explicitly treats education as a right. The purpose of the Act is to ". . . assure that all handicapped children have available to them . . . a free appropriate public education." All handicapped children have an absolute right to an appropriate education. It is interesting to note that, by federal law, all handicapped children—poor and rich—have this unqualified right. The educationally disadvantaged—poor, and certainly not rich—do not. Non-handicapped children have only a conditional right to an education.

The Handicapped Education Law comes closer to the individualistic conception of educational decisionmaking encompassed by voucher proposals, both by declaring education to be an individual right and by placing a greater amount of authority for influencing educational placements and decisions in the hands of parents. In a very limited sense, federal and state aid for handicapped children is like a voucher that may be spent in public or private educational institutions depending on which can

[15] Henry M. Levin, *Educational Vouchers*, p. 16.

provide the most appropriate education for the child. Expenditures and placements are less influenced by pluralist decisionmaking processes, though they are subject to the judgments of school district personnel, state officials, and judges as well as parents. What may prove instructive about the relatively unique approach to providing education for handicapped children is the degree to which greater choice in the system in the best interests of the child has led to increased regulation of public and private institutions charged with serving those interests.

The evolution of public school finance in this country has followed a somewhat uneven path toward greater equality of educational resources for each child and toward a conception of education as an individual right. However, neither of these characterizations is fully accurate in describing the public school system. In the first instance, this is because tensions still exist between notions of children's rights to equal educational opportunity and notions of parent's and/or local community's "rights" to decide how much to spend on the education of their children. In the second instance, there is not now, nor likely to be, a consensus on the issue of whose interests are paramount in the provision of education, who should decide how these interests—whatever they may be—are best served, and how we will know that the schools are succeeding. Just as these questions continually confront policymakers concerned with public education, they will confront policymakers charged with shaping and implementing voucher plans. Indeed, the various voucher plans that have been proposed treat these questions quite differently.

VOUCHER PROPOSALS

At the core of voucher proponents' arguments is the notion that state efforts to serve the best interests of the child are not efficient or effective because they stifle diversity and constrain parent choice. State actions have these effects because they create centralized, bureaucratic channels for implementing uniform policies affecting groups of children. The individual needs and educational tastes of children and their families cannot be fully satisfied by the public mechanisms for determining and implementing educational programs for masses of children. Moreover, they argue, in the current system only the very rich have freedom of choice in education. Vouchers would extend this freedom to the poor as well.

Voucher advocates assume a set of consequences that will follow the institution of vouchers. Since there has been no true test of vouchers, we are left to examine the advocates' predictions in the light of historical and contemporary knowledge about schooling in America. In this exercise, it is important to recognize that voucher plans are not identical. Some plans contemplate larger vouchers for the poor than for the wealthy, no supplementation by parents or others, an extensive (and expensive) information system, and regulation of admissions to ensure social heterogeneity in schools. Other plans contemplate a modest information system, the option of parental and other (e.g., church) supplementation and laissez-faire admissions policies. Obviously, these features will lead to different consequences.

One fundamental outcome assumed by voucher advocates is that under any voucher plan the state will have less control over education and, conversely, parents will have more choice over the type of education their children will receive. An extension of this reasoning leads to another presumed outcome—that the education received will serve the best interests of the child. Below we examine these assumptions, along with the assertion that a voucher system will lead to more efficient and effective delivery of educational services. We explore the questions of efficiency and effectiveness with respect to the four previously outlined goals of education held to be important for the state and a fifth goal important to individual consumers:

(1) Socialization to a common culture;
(2) Inculcation of democratic values and preparation for exercising the full rights of citizenship;
(3) Preparation of students for further education, training, and occupational life;
(4) Equal opportunity; and
(5) Provision of education in the best interests of the child.

The degree to which each of these goals is attainable by the workings of the marketplace will greatly influence the extent to which state control over education may be relinquished.

Socialization and preparation for citizenship

We consider the goals of socialization and preparation for citizenship jointly because they are often viewed as closely linked. As Levin notes:

"A major function of the public schools is the transmission of a common language, heritage, set of values, and knowledge that are necessary for appropriate political functioning in our democratic society."[16]

The common curriculum and a (not alway realized) commitment to heterogeneity of students populations are efforts of the public schools to meet these goals. Clearly, the marketplace freely operating will not produce either common teachings or heterogeneity in those who are taught. The primary appeal of vouchers is that they would allow those whose philosophical, pedagogical, political, or religious views differ to band together in schools that satisfy their tastes along any of these dimensions.

But a common educational experience is not, in the minds of some voucher proponents, necessarily linked to the ability of students to later function in a democratic society. Coons and Sugarman argue that the public schools, because they aim to socialize children in a particular way, can never be neutral and, therefore, deprive the student of opportunities to develop autonomy, a desirable equality in democratic citizens. Family choice schools would foster autonomy, they say, because "there may be a linkage between the tribal ways and the path to independent moral judgment. . . . Even where particular values seem narrow and one-sided, a child's engagement with them at a crucial stage in his development might secure his allegiance to that ideal of human reciprocity which is indispensable to our view of automomy."[17]

Thus, they dispense with the goal of socialization to a common culture by arguing its irrelevance to preparation for democratic life. There seems little dispute that an unregulated voucher scheme would be an ineffective and inefficient means for socializing children to a common culture and set of values. Where there sufficient public concern about this likely consequence, regulations prescribing certain common subject matter or course content would certainly emerge. Many states already regulate private schools in this manner for this reason, although requirements are generally minimal.[18] Whether state restraint in this regard is because the spending of state funds is not at stake is a question which we treat later.

One may argue that the socialization functions of schooling are among the oppressive, essentially undemocratic mechanisms of the corporate state that Americans are ready to cast aside—or at least they should be.[19] The argument, whatever its validity, does not allow us to dispense so easily with the question of what education will best prepare students for full political participation in the society. To Coons' and Sugarman's not ineluctable argument for autonomy[20] we may counterpose Levin's argument for tolerance as a precondition to political competence. Levin observes that the tolerance toward dissenting viewpoints that is necessary "for a democracy is which controversial issues must be addressed and resolved continually" emerges from opportunities for exposure to constructive conflict and controversy.[21] Such exposure seems unlikely in a system where parents choose schools that reinforce their own views.

We cannot here resolve the questions of whether autonomy or tolerance is more important for political preparation or empowerment, whether the two are related to each other, or whether either is more or less likely in a world of family choice schools. We can, however, move beyond the issue of what values are explicitly taught or addressed in schools—and what their effects may be—to the issue of what student grouping receives the teaching. As James notes:

"The latter [issue] involves deciding what is the most legitimate criterion by which to organize children for learning basic skills and for entering the economy, the democratic polity, and adult society. . . . Our rules for bringing students together in schools are a political matter that precedes pedagogy and policy. . . . Schools teach some of the most deep-seated and lasting lessons of social life by the ways in which they bring children together, regardless of what is taught in the classroom. It could hardly be otherwise, since patterns of inclusion reflect quite accurately the school's relation to community and society. . . . This is true because it is through direct experience that children learn about the conventional rules of human association in

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[16] Ibid., p. 16.
[17] John E. Coons and Stephen Sugarman, *Education by Choice*, p. 83.
[18] Patricia M. Lines, "State Regulation of Private Education," *Phil Delta Kappan*, October 1982, pp. 119–123.
[19] See generally, Martin Carnoy (ed.), *Schooling a Corporate Society*, David McKay Co., Inc., New York, 1975.
[20] A critique of Coons, and Sugarman's argument that voucher schools will produce greater autonomy in students and, hence, prepare them for fuller participation is society is offered in Arturo Pacheco, *Educational Vouchers and their Implications for Equity*, Stanford University, Institute for Reseach on Educational Finance and Governance, January 1980, pp. 18–21.
[21] Henry M. Levin, *Education Vouchers*, p. 17.

their society . . . Whatever else children learn in school, they learn about democracy as the word is to be understood *where they live*.[22]

If we accept that there is a relationship between demonstrated inclusiveness and democratic understanding, we must conclude that where bureaucratic efforts to stem exclusion have only partially succeeded at providing children with an experience of inclusive democracy, market mechanisms are sure to fail. The decades of controversy over segregation along lines of social class, ethnicity, ability, gender, and physical/mental health will not evaporate with the introduction of family choice. Some families' choices will the, as now, result in the exclusion of other, only no recourse will exist for those excluded unless the market is regulated. The question is not only one of equal access—which we treat more fully below—but of the state's interest in encouraging those who would not prefer to be grouped together to nonetheless share a collective association. Even with substantial regulation of financial supplementation and access, it is unlikely that vouchers would prove a more efficient or effective means of promoting a democratic understanding based on inclusiveness than do publicly-governed means for associating children. In fact, to the extent that regulation of vouchers seeks to counteract preferences for private association, the very foundation of the voucher concept is weakened.

Preparation for further education, training, and occupational life

The preceding criteria for evaluating vouchers are based on a view of education as primarily a public good. If we meet voucher proponents on their own ground, we must also give considerable weight to the private benefits of education. Although academic preparation serves both public and private needs, it is far easier justified as a benefit to the individual than are the social and political objectives discussed above.

One of the generally offered rationales for vouchers is that the competition they will induce will lead to greater educational quality. There are several possible definitions for this imprecise term:

(1) The quantity of educational resources available in a school;

(2) The educational processes which are employed in a school;

(3) The extent to which education results in the attainment of specified outcomes or competencies;

(4) The extent to which education results in the development of those aspects of a student's potential desired by the student or his/her family.

Some voucher proponents would leave all of these elements of quality to the marketplace, relying on family choice to support the better schools and to eliminate the less desirable ones. The eventual emergence of better quality, in this view, depends on a closeness between producers and consumers so that preferences can be translated into services, the existence of the "perfect information" system that economists are so fond of assuming, equal access to good quality schools (however defined), and a consonance among public wants, public needs, and available products.[23] Pacheco argues that:

"[I]t is a fundamental mistake to equate the presence of alternatives with either higher quality or what the public wants. It may be a serious mistake to equate public wants with public needs. All that might be guaranteed by a voucher scheme is that some sort of educational options would exist, not necessarily those that families want or need. Like commercial TV, the public may be faced with a plethora of 'alternatives,' none of which are particularly good or attractive."[24]

In the worst case scenario, unregulated vouchers could result in at least certain classes of parents not being able to secure the quality of education they want for their children. This would be true under the various definitions of quality if the entire voucher system were to be underfunded by the state, if parents did not have adequate information to make sound decisions about school options, if the marketplace did not produce desired educational options in all neighborhoods, or if the educational resources, processes, or philosophies selected by parents were not to result in the learning outcomes they desire. Furthermore, if tuition and admissions policies are unregulated, low-income parents and those parents of children with whatever the excluded characteristics might be from schools practicing selective admissions (ability, gender, ethnicity, language dominance, etc.) would have fewer opportunities to choose the quality of education they want for their children. To avoid any one of these potentially undesirable consequences, the state would have to

[22] Thomas James, "Tuition Tax Credits," p. 609.

[23] Stephen Arons, "Equity, Option, and Vouchers," *Teachers College Record* 72, February 1971, pp. 337-364, p. 357.

[24] Arturo Pacheco, *Educational Vouchers*, p. 24.

become involved in policies about the state financing and private supplementation of vouchers, the extent and accuracy of the information system for parents, the location of educational alternatives of various types, the technology of education, and/or the admissions policies of schools.

The Alum Rock voucher experiment illustrates how some of these potential problems might occur. First, the single most important determinant of parents' school choices was proximity to the home, even when free transportation was provided. Thus, to the extent that schools of different kinds cluster in different kinds of neighborhoods, access to similar quality school experiences may be constrained by geography. Furthermore, after four years of extensive bilingual publicity about the voucher program in Alum Rock, a quarter of the parents did not even know it existed; a much larger proportion did not have accurate information about the voucher program or the specific schools. Parents of low-income and lower educational attainment were less well-informed than other parents. Finally, parents' program choices resulted in clusterings of students by family background factors like income, education, attitudes, and childrearing values.[25] These effects would likely be exacerbated by tuition differentials and selective admissions.

While there are reasons to expect that a voucher system might result in children receiving unequal quality in education, these effects might be offset by regulatory efforts to ensure adequate information, equal access to existing institutions, adequate funding, and perhaps even incentives for "high quality" schools (defined by whatever standard) to locate in neighborhoods where choice options are limited. Of course, such regulations would constrain the market in some ways in order to open it up in others.

The question still remaining is whether market accountability will serve to satisfy public needs to know whether children are being adequately prepared for further education, training, and occupational life. Will parents know when adequate preparation is being offered? Will they have options when they are dissatisfied? Will their individual decisions taken collectively satisfy the state's needs for an educated citizenry? It is extremely likely that the state will want to exercise some control over this aspect of accountability. Many states already require that private schools meet some of the course requirements of the public school system. In addition, a large number of states have enacted minimum competency tests to ensure that public school students are adequately prepared. The notion that these tests or other standardized achievement tests might be used to measure the quality of private (as well as public) schools has been advanced by some voucher advocates and others concerned with preventing state regulation of the curricula of private schools.[26] Such outcome measures, they reason, might serve as a substitute for other, more intrusive, accountability measures.

There are, of course, many potential problems with this solution to the problem of knowing whether voucher schools are effective. First, the more difficult and extensive the tests are, the more likely they are to drive the curriculum in all schools. To the extent that they homogenize curricula and, perhaps, even teaching methods, they undermine the diversity that vouchers are meant to offer. If the tests are minimal, on the other hand, they will not be very informative to those who want to know how effective the schools are. There is the additional possibility, of course, that such tests are not the best indicators of the quality of education, or that they even undermine the pursuit of other educational goals.

There is another problem with the use of test scores as a substitute for other measures of school quality. If people accept such a measure as an accurate indicator of what the school does, the perceptions of school quality as an extension of student body composition that have hampered integration efforts along all the dimensions discussed earlier would be strengthened. The segregative effects of such perceptions would be exacerbated. Schools that serve low-achieving students would be viewed as inadequate institutions. Institutions would have little incentive to locate in neighborhoods where students have been ill-served in the past, or to accept such students as part of the student body.

Public perceptions of schooling have been confused enough already by many people's failure to understand that 50 percent of all students will always fall below the norm on standardized tests of pupil achievement, regardless of the absolute levels of knowledge possessed by the pupil population. If schools are put under greater pressure to show students achieving at or above "the norm," what will happen to access

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[25] R. Gary Bridge and Julie Blackman, *A Study of Alternatives in American Education, Vol. IV: Family Choice in Schooling*. The Rand Corp., R-2170/4, April 1978.

[26] See, for example, Patricia M. Lines, "State Regulation" and John E. Coons and Stephen Sugarman, *Education by Choice*.

for those 50 percent of the children whose educational experience is supposed to be especially enriched by vouchers? If an attempt to offset this pressure required all schools to accept similar proportions of high- and low-achieving students, certain kinds of highly selective schools would have to drop out of the voucher system altogether, and others would face awesome recruitment tasks.

The alternatives that exist require either regulation of voucher schools in the ways we've mentioned or faith that parents will have adequate information to choose wisely, adequate options to choose from, and that their decisions will somehow converge with the state's definition of an adequately educated citizenry. At the nexus of the argument for vouchers, though, is the concept that the parents' choice of an education serving the best interests of the child need not converge with state goals. There is also a nebulous quality to the concept of equal opportunity incorporated into voucher schemes. Can the parents' view of the best interests of each child be served while equal opportunity is also ensured? Below we examine how the dialectic between the "best" and "equal" principles might be framed under vouchers.

Equal opportunity and best interests of the child

There are two major ways in which the "best" and "equal" principles might collide under vouchers. One is if a parent's definition of what is best for his or her child encompasses an educational setting that, by its nature, must exclude some other children. The other is if a parent's definition of what is best for his or her child limits the child's own opportunitites according to some other, possibly valid, definition. The first instance where the dialectic comes into play poses questions of equal access. The second poses the more fundamental question of who knows what serves the best interests of the child.

The question of equal access is addressed in part in the preceding section. It might be resolved in part by providing equal vouchers with no private supplementation (or vouchers scaled to financial or educational need), requiring an extensive information system, providing free transportation, and requiring nondiscriminatory admissions. However, no voucher scheme envisions totally open admissions or equal educational opportunity as it has come to be defined in the public sphere. To require exclusive preparatory schools to admit any student, for example, would contravene the notions of institutional diversity and rights of private association that undergird voucher conceptions. Furthermore, to require all voucher schools to provide services to the handicapped or to limited English-speaking students—in the way that courts have defined programmatic equal access—would divert many schools from what they see at their institutional mission and would visit upon the private sector much of the regulation that some feel has imparied the efficiency of the public sector.

Voucher proponents would leave the task of educating students who don't fit in elsewhere to the public schools or to new voucher schools that might emerge to fill their particular needs. Given the fact that combined public and private services in lower-income neighborhoods have been found over and over again to be both quantitatively inadequate,[27] we find it difficult to swallow the assumption that equal opportunity will be better served by the marketplace than it has been (however haltingly) served by public efforts. Were a voucher scheme to emerge with a provision that guaranteed access to the capital needed to start schools where they prove to be needed, we might choke a little less on the equal opportunity assumption. We would still, however, have to grapple with the substantive aspects of equal opportunity that touch upon different notions of the best interests of the child.

Arguing that parents may not always choose education that serves the best interests of their children has a paternalistic ring to it that is uncomfortable. Nonetheless we advance this argument because it is not entirely clear that the appeal of family choice is grounded in a completely realistic view of families or of the social good. The family choice approach is based upon three assumptions: (1) that parents always have the best interests of their children at the forefront of their concerns; (2) that parents know what type of education will serve those interests; and (3) that parents have the information and access necessary for them to select the education they seek.

We do believe that most parents seek what is best for their children. The relationship between parents and children is a special one that has long received state protection. However, it would be dishonest not to also acknowledge that many children—indeed an increasing number—are subject to neglect and abuse at the hands

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[27] See, for example, Paul R. Dimond, Constance Chamberlain, and Wayne Hillyard, *A Dilemma of Local Government: Discrimination in the Provision of Public Services*, D. C. Heath and Co., Lexington, Mass., 1978 and Richard C. Rich, "Neglected Issues in the Study of Urban Service Distributions: A Research Agenda," *Urban Studies* 16, 1979, pp.143-156.

of their parents. Child abuse, youth suicide, runaways, and youth homicide are serious problems that exist in families and that have dramatically increased over the past two decades.[28] These are, of course, the most egregious examples of alienation between children and their parents. In some other families, children are cherished and their needs are well-attended to. In still others, children are loved, or at least tolerated, but a variety of other concerns take precedence over attention to their needs. The point is that reliance on the family as the single best entity for pursuing the child's welfare is as dangerously one-sided as relying solely on public institutions or officers to be caring and knowledgeable about what the child needs.

The degree to which parents know what is best for their children is an even more problematic question. Coons and Sugarman avoid the insoluable philosophical issue of what constitutes "the good" by reference to a principle of subsidiarity—that better decisionmaking happens closest to the pertinent party because knowledge and personal investment are greatest there. Whatever the decision, it is bound to be better when it is made by those directly affected by it. (This reasoning of course does not address the social purposes of education, and we put those purposes aside here having discussed them earlier.) If we accept this principle, we must be prepared to accept that the child's best interests are served if, for example, the parent sees the child's potential as being less than what others would recognize, and chooses a school accordingly. If parents' choices of schools reinforce social class stratification and socialization,[29] we must accept the outcomes as justified by choice and as in the child's best interests.

If parents' knowledge of their children does not translate into knowledge of what education they want (or need), we must be prepared to allow the marketplace and the shopping process to solve the riddle. We must either be prepared to assume that parents have the pedagogical knowledge to look for what they want and know when they have found it, or we must be prepared to regulate schools in some fashion to ensure that they deliver the services parents say they want. If this were a trivial issue, we would not in recent years have seen parents and policymakers enact minimum competency testing laws and other accountability measures to find out if schools were doing what at least some parents want them to do.

Finally, if we can assume that some means for translating professional knowledge to parents can be devised, we must return once again to the question of whether parents will be empowered by enough information about schools choices and by access to schools of their choice to act on decisions they have made. Will parents' well-informed choices in the best interests of their children be met by a responsive, honest, informative, and equally accessible marketplace? Is a voucher sufficient empowerment absent other forms of accountability? Without many of the safeguards we have discussed, we would have to say "probably not." While some diversity would undoubtedly be encouraged by vouchers, with benefits for many children and parents, those who are ill-informed, who are unwilling or unable to "shop around," or who are barred by geography or personal characteristics from the schools they would otherwise choose will not reap the benefits of the new marketplace.

This outcome might seem little different from what many parents and children experience in the current largely-public educational system. And, in fact, the degree to which many public schools seem ineffective and unresponsive to many children might suggest that if some children benefit from vouchers, those who remain ill-served will at least be a smaller portion of children than is now the case. The fundamental trade-off is that with vouchers we would buy, on faith, more, perhaps better, options for some while in many ways relinquishing public accountability for all. We would rely on consumerism to ensure quality and equality, and we would forego knowledge of whether state economic, political, and social goals are being well served. To be sure, some voucher plans contain many proposals for overcoming the expected inefficiencies of vouchers at achieving these goals. What is not clear is whether regulating the private marketplace will prove to be more effective and efficient in the long run than deregulating, in some measure, the public system.

In our concluding section, we speculate about how the forces that have shaped public education and the potential marketplace failures we have discussed might shape the regulatory apparatus for a voucher system.

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[28] U.S. Department of Health and Human Services, *The Status of Children, Youth, and Families, 1979*, Department of Health and Human Services, Washington, D.C., 1980.

[29] Henry M. Levin, *Educational Vouchers*, pp. 17-20 and R. Gary Bridge and Julie Blackman, *Family Choice in Schooling*, pp. 54-68.

LEGISLATION, REGULATION, AND BUREAUCRACY UNDER VOUCHERS

In popular current parlance, vouchers are intended to deregulate schooling. The rhetoric is to release schools from the progressive and oppressive bureaucratization which has occurred. Yet, at minimum, a set of regulations will be required to specify the financial component of the plan. Regulations concerning the value of the basic voucher and rules concerning public, private, and familiar supplementation or non-supplementation will need to exist. A state-level bureaucracy will need to be created to administer the financial component of the plan. Under certain voucher systems, the agency may have to have the capacity to monitor the financial plans of schools, families or other private agencies.

Also at minimum the state is likely to need some capacity for defining a "school." Rules for defining a school will need to be developed; the state may need to be able to monitor schools to determine that they meet the minimum definition of a school. Beyond minimum regulation lie such areas as personnel and admissions. There may be no personnel qualification requirements (Friedman), existing requirements for private school teachers (the California Initiative) or existing public school teacher requirements (OEO Voucher Plan). There may be no admissions policies (Friedman), non-discrimination policies (California Initiative) or policies favoring integration (OEO Voucher Plan). There may be no curriculum requirements, curricular prescriptions, or curricular proscriptions.

Voucher advocates are likely to understate the quantity of regulation and bureaucracy required to implement a system of vouchers. It is worth noting that the California Initiative required nearly two pages of fine-print additions to the California Construction. Constructional provisions and amendments are generally sparely-worded. Less noticed was the change implied in the functioning the California Department of Education.[30] The Department would need to relate not to 1,040 school districts but to a much larger number of individual schools and the 5,000,000 students who attend them. Many locally-administered functions would need to be handled on a statewide basis. The state would need to classify individual students, track them, monitor their attendance, and adjudicate conflicts between family and school. In short, the state bureaucracy would likely increase in size and in certain responsibilities.

While vouchers might be enacted tabula rasa, it is likely that four forces would increase the quantity of regulations (and attendant bureaucracy) over time. These are (a) financial accountability, (b) state paternalism, (c) interest group pressures, and (d) majority/minority struggles.

Financial accountability

Under a voucher system, the schools would still be publicly financed, if privately provided. Under the present state/local system for financing and providing public education, state legislatures have shown a remarkable interest in financial and educational accountability. This is so despite the fact that schools are operated under the supervision of local school boards. Perhaps because state legislatures provided state aid or perhaps because they do not trust local school boards, state legislatures have embraced a variety of financial and educational accountability legislation. The legislation has ranged from pure accountability systems to planning-programming-budgeting systems to competency-based education.[31] Under vouchers, the state legislature would still be appropriating funds to be, in effect, administered by local agencies called schools. The situation is analogous to today's situation with one important exception. The element of market accountability has been introduced. To some extent it will substitute for bureaucratic accountability. Yet legislatures will each year have to appropriate a large sum for education. Indeed the sum, if the system operates statewide, will about double the sum now appropriated (since local funding will not exist and private funding will be largely subvented).

Each year the state legislature will have to decide whether it is appropriating the "right amount" for education. As it gropes to determine the answer to this question, it will raise questions about the effectiveness of the educational system, about the adequacy of the last year's appropriation, about equity in the system and so on. These are precisely the kinds of question which legislators now raise about education and which give rise to fiscal and educational accountability legislation. Whether the legislature will be able to resist asking "hard questions" about the very largest item in its budget would remain to be seen. Market accountability will mitigate some of the pressure. However, an aging, non-parent and fiscally conservative popu-

[30] Henry M. Levin, *Educational Vouchers*, p. 14.
[31] Arthur E. Wise, *Legislated Learning*

lation—adults who are not in a position to judge the quality of schooling immediately and who have no direct interest—may still be inclined to ask "hard questions."

State paternalism

As alluded to above, state legislatures have often acted paternalistically toward local school boards. They have prescribed the minimum qualifications of teachers that school systems may hire. They have prescribed textbooks, courses, class size, contract hours, etc. They have begun to require state monitoring of local schools output through state-administered tests. In short, they have acted to supplant local decision-making in areas wherein they judge local decisionmaker to be deficient. State paternalism is not new; it also shows no sign of abating. If state legislatures have been unwilling to delegate full control to locally elected officials (or officials appointed by elected local officials), will they be willing to delegate full control to privately owned and operated schools? Perhaps market accountability will suffice. Or perhaps state legislatures will, from time to time, believe that they have a better idea.

Interest group pressures

All types of interest groups have secured legislation favoring their interests. While vouchers appear likely to decentralize operational control, they centralize financial and other controls over schools. The potential power of central government will increase. Whether and how that potential power will be exercised would remain to be seen.

To some extent, the availability of schools of choice should remove the perceived need of some interest groups to secure legislation to alter the school in their preferred direction. Those who wish prayer in the schools can enroll their children in religiously-oriented schools. Those who favor or disfavor sex education can make the appropriate enrollment decision. Those who believe in evolution or creationism can act accordingly. The question is whether the availability of choice would function as an escape valve for those with strongly held views. Would interest groups find the local school market responsive to their desires? Would they seek state assistance to counteract a lack of desired services? Or would interest groups wish to impose their needs or views on all schools to ensure the availability of what they seek? If so, the strengthened state role in education would present the clear mechanism.

Interest groups obviously range beyond curricular choices. Organized teachers, administrators, teacher educators—the members of the education establishment—may well perceive the need to protect their own interests through legislation They may perceive the need to regulate their sense of good educational practice. Civil rights groups may well want to ensure that admission and expulsion decisions are fairly made. Patriotic groups may well wish to see that schools do not teach subversive ideas. Fiscal conservatives may well want to ensure that public funds are not squandered on basket-weaving and the like. All of these groups will have a more direct pipeline to the state than is currently the case, should the marketplace disappoint them.

Majority/minority struggles

Much legislation in education has resulted from the clash of majority and minority interests at the local level. Majority votes and decisionmaking for the majority often conflict with minority interests. In the past, conflict has given rise to civil rights legislation, legislation for the handicapped, compensatory education, legislation for the gifted and so on. The availability of schools of choice will accommodate some of the demand for attention to minority views. It seems certain, however, that whatever the arrangement for financing and providing education, there will remain majority and minority views. A priori, elements of a voucher system will create new coalitions and new majority and minority experiences. It is inevitable that some will see recourse to legislations as advantageous.

The forces that have led to pluralistic, public decisionmaking concerning education will not disappear under vouchers. Some who are dissatisfied with their current options will be content with the new choices available to them. Others will find the choices open to them still inadequate. To the extent that the state tries to resolve disappointments or perceived inadequacies through regulation, the bureaucratic apparatus associated with public schooling will reemerge, only it will grow at the state rather than at the local level. To the extent that the state leaves the child's right to choice in education to the vicissitudes of the marketplace, litigation will be the means for solving problems of market failure or of perceived violations of rights. Rights of private association and equal opportunity will still need to be balanced along with students' rights to "appropriate" education or choice and the state's fun-

damental interest in education. These issues will be made more complicated by public funding of the private sector. It will be a very long time before resolution of these questions will allow any sound judgment about how efficiently or effectively a voucher system meets individual and state goals for education.

CONCLUSION

Our purpose in this essay has been to evaluate educational vouchers in the light of the forces which have shaped the public schools. It is our contention that many, if not most, of these forces will not simply disappear if vouchers are enacted. In order to understand the nature of schools under a voucher system, we need to anticipate how these forces would play themselves out in the new context. We began by observing that public schools were brought into being to serve the social, economic, and political needs of the state. Under a voucher system, the state will not cease to be interested in the attainment of these goals. The state will need an independent capability to assure itself that its goals for socialization to a common culture, preparation of students for occupational life, and the inculcation of democratic values are achieved. The state will thus continue to be interested in the effectiveness of schooling. Because so much state money will continue to be expended, the state will continue to be interested in the efficiency with which schools operate. And because equality of opportunity is such a central value in American democracy, the state will remain interested in equality of educational opportunity. The way that the state will assure itself of effectiveness, efficiency, and equity is through the means of legislation, regulation, and bureaucratization.

It is not enough for voucher advocates to espouse the virtues of competition, efficiency, and choice. They must be prepared to explain how schools under vouchers will accommodate the states' goals effectively, efficiently, and equitably. They must be prepared to explain how we will not re-create an even more onerous regulatory apparatus over schools. It should be clear by now that we believe that the potential for the development of such an apparatus is large.

Regulation of vouchers is not, in itself, an intrinsically negative possibility. However, the potential need for regulation that we have described is a symptom of a more fundamental problem with the voucher concept: the achievement of public goals through the private market. Under the current system of financing schools, we resolve tensions between public and private interests by pursuing pluralistic goals through public decisionmaking in the public sector and by allowing individualistic goals to be pursued in the privately-funded and operated private sector. Private control over the public interest has been avoided over the course of this nation's history by linking accountability for the pursuit of public goals to public funding of institutions. Public funding of the private sector without the public accountability that accompanies pluralistic decisionmaking is unlikely to occur. Where problems have occurred because public accountability mechanisms have overreached their capacity for achieving positive results, the solutions will not be found by extending those mechanisms to the private sector or by seeking to avoid the public sector—and its problems—with a voucherized escape hatch. The public interest must still be served. We must seek to find ways to serve it better while balancing its pursuit with responsiveness to individual needs.

Mr. BOUCHER. Thank you.

Any questions from members of the committee? Mr. Corrada?

Mr. CORRADA. Mr. Chairman, I would just like to commend all the members of the panel. I believe that they brought to our attention very important information in order for us to assess this proposal.

I would just like to ask one question. Do you believe that right now we are providing sufficient and adequate resources to make the choice of public education in Puerto Rico and the entire United States to the point that we can start thinking about allowing other options through the utilization of public funds, even if we were to assume there were no constitutional impediments to it?

Ms. FUTRELL. You're asking all of us that question, I assume.

Mr. CORRADA. Those of you who would care to comment.

Ms. FUTRELL. My personal opinion is no, we are not providing adequate funds to do what you have described. We believe that

public education is underfunded. We simply look at this particular area here. Eleven million children have been identified as having problems relative to reading, writing, and computational skills. These are disadvantaged children. That makes one out of every four school-aged children in this country. So we would feel you would need to increase the amount of funding, number one, to accommodate all of the children—and we are not accommodating all of them right now.

We are looking at a situation where we are riffing eductional staff members. We are cutting back on all program areas to try to accommodate the adjustment at the Federal level, at the local, and State level. So with the current situation we are facing, I would have to say that no, we are not providing adequate resources to provide the kind of alternatives that you are describing.

Mr. HUMPHREY. I think, in addition to that, there is another point to be made. With the amount of money that the Federal Government is putting into education, roughly about 8 percent of the total, the targeting mechanism has worked fairly well in that children in private schools are being served. But they are the poor kids. What you are doing is creating a program designed to help disadvantaged kids, and the title I program works both for public and for private school kids, but it works for poor kids.

To begin to expand it out, to get the entire title I population, would require, as one of the previous witnesses said, somewhere in the neighborhood of $15 billion just to serve all of the poor kids. So you are not even serving all of those children, let alone getting into the field of using the Federal aid mechanism on top of the tuition tax credit, to serve the general school-age population. You are really just serving a small percentage of a very small percentage to begin with.

Mr. SCHERER. Another perspective, Mr. Corrada.

If we look at the school-age population in the country, 65 percent of our Nation's school children are schooled in 37 SMSA's—that's Standard Metropolitan Statistical Areas—large urban centers where most of our children are schooled. Those large urban centers are very dependent on Federal moneys.

We are not funding adequately at this point, or providing adequate funds to help supplement those districts to meet the special needs of the children. As has been pointed out, we are probably only servicing right now about 40 percent of the title I eligible children, for example. So where most of our children are schooled, there is still a great need for services and for money from the Federal Government.

Mr. CORRADA. Thank you very much.

Mr. Chairman, I just would like to comment that, again, when you talk about educational diversity, providing parents with choices (certainly something that theoretically sounds very nice—I personally would like to see those choices available to our people. The point is, we can only think of being able to divert resources to those purposes. If we are confident that we are meeting the basic needs and aspirations of those parents who send their children to public schools, by providing them adequate educational services, and only if we are satisfied that we are doing that, and that we are providing adequate resources, then perhaps we could think addi-

tional resources might be provided so as to be able to implement this kind of voucher system. And if constitutional questions could be resolved, then I would, for one, feel the proposal would merit more serious consideration.

But, under the circumstances that have been described here, and knowing what the condition is out there in many of the LEA's and jurisdictions thoughout the country, I really feel doubtful that we can accomplish this or should move in this direction at this time.

I yield back the balance of my time.

Mr. BOUCHER. Thank you, Mr. Corrada.

I, too, would like to commend the panel for the very informative and helpful testimony that you have presented here today.

That concludes today's hearings, and that concludes this subcommittee's hearings on the administration's education voucher proposal for chapter 1. The record of the subcommittee will remain open for 2 weeks for the submission of additional comments.

[Whereupon, at 1 noon, the subcommittee was adjourned.]

[Additional material submitted for inclusion in the record follows:]

COMMITTEE ON EDUCATION AND LABOR,
SUBCOMMITTEE ON ELEMENTARY, SECONDARY, AND VOCATIONAL EDUCATION,
Washington, D.C., April 11, 1983.

Hon. TERREL H. BELL,
Secretary, U.S. Department of Education,
Washington, D.C.

DEAR MR. SECRETARY: On April 6th you testified before our Subcommittee on H.R. 2397, your voucher proposal for Chapter 1. Due to time constraints, the Subcommittee members were unable to pursue as many questions as they would have liked.

Therefore, I would like to submit to you a question, on behalf of Congressman George Miller, to be answered for the record. The question is, with whom (education organizations, associations, etc.) did the Administration consult in the process of drafting the voucher proposal, and could you provide us with a list of organizations or others who support the bill?

I would appreciate receiving your response to the above question by April 25th.

Thank you again for your appearance before the Subcommittee.

Sincerely,

CARL D. PERKINS, *Chairman.*

U.S. DEPARTMENT OF EDUCATION,
Washington, D.C., May 13, 1983.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor,
Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Bell has asked me to respond to your letter of April 11. In that letter, you asked us whom the Administration consulted with in developing our Chapter 1 voucher proposal.

In formulating our legislative proposal, we concentrated more on discussing the voucher concept with teachers, administrators, school board members, and parents around the country than on presenting the idea to the Washington-based associations. Not surprisingly, reaction to the idea was quite mixed. In communities where Chapter 1 programs have been working successfully and where parents are satisfied with them, there was little interest in a voucher option. In other communities, I believe that there would be enough demand by parents to get the voucher option, if it were approved by the Congress, adopted on a trial basis. In all, I believe that there is more support around the country for the voucher proposal than one would guess from the testimony presented by the Washington interest groups.

The important thing to remember, of course, is that our proposal presents an option only. Local school officials are best able to decide whether in their community sufficient interest exists to try the voucher. If no interest exists, the Chapter 1 program would continue to be administered as it is today. We hope the Committee

shares our faith in the ability of local public school officials to make a correct judgment on the matter.

I hope that this has answered your question.

Sincerely,

GARY L. BAUER,
Deputy Under Secretary for Planning, Budget and Evaluation.

OFFICE OF GOVERNMENT LIAISON,
UNITED STATES CATHOLIC CONFERENCE,
Washington, D.C., April 20, 1983.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor,
Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed is a copy of a letter sent to Secretary Bell by Father Thomas Gallagher, the USCC Secretary for Education, expressing the views of the Bishops' Conference on the Administration's proposal to amend Chapter I of ECIA to allow state and local education agencies to use Chapter I funds for a voucher program.

We know that you and members of your Committee have expressed an interest in knowing the views of the Catholic school community on this proposal. This letter should provide you with a full explanation of our views on this matter.

I would like to take this occasion to express my personal thanks for sponsoring the USCC Congressional breakfast on April 7th. It was a great success and was greatly appreciated by Catholic school leaders from around the country.

Sincerely,

FRANK J. MONAHAN, *Assistant Director.*

UNITED STATES CATHOLIC CONFERENCE,
Washington, D.C., April 19, 1983.

Hon. TERREL BELL,
Secretary for Education, U.S. Department of Education,
Washington, D.C.

DEAR MR. SECRETARY: Let me begin by saying how grateful I am that you could take the time to be with us for the Congressional breakfast on April 7th. It was a very successful occasion from the reports that we have heard and I think the presence of people like yourself made it that.

As I told you at the breakfast, we have had the opportunity to review in detail a draft of legislation proposed by the Department of Education to provide state and local educational agencies the option of using funds from Chapter I of the Education Consolidation and Improvement Act of 1981 for vouchers for economically and educationally disadvantaged children. We also had the opportunity to consult, about the proposal, with a broad representation of Catholic school leaders from areas where there are high percentages of our students participating in Chapter 1 programs.

As advocates for the free exercise of parental rights in education, we welcome the Department's openness and willingness to experiment with educational vouchers as a vehicle for providing parents, especially parents of poor and minority group children, with the opportunity to choose an education best suited for their children. Too often parents' rights in this area are merely rendered "lip service" while the opportunity to exercise such rights are scant. However, as I pointed out on April 7, while applauding the Department's consideration of a voucher option, we have some serious concerns about the practical effects of the proposal to voucherize Chapter 1.

The Catholic school community is particularly concerned about any plans to change the program authorized by Chapter 1. This program has been in operation for over 15 years, providing badly needed benefits to educationally deprived children in both public and private schools. Equitable benefits for children in private schools have been achieved only after many years of major efforts by private school representatives in school districts throughout the country. Today, there are significant Chapter 1 programs operating in every major metropolitan area of the nation, providing services to our students. We consider this program a successful one for both public and private school students.

Our assessment of the Department's voucher proposal raised numerous questions from many quarters which were not readily answered by a reading of the proposal, nor were some of them adquately answered during our early conversations with you and your staff. A sampling of these questions are listed below.

(1) What will be the criteria for determining which child receives a voucher? Would it be on the basis of an educational need or would it be on the basis of an economic need?

(2) If the voucher can be used as tuition payments at a private school, what happens if the tuition is more than the amount of the voucher?

(3) Would this program be available to children already attending private schools or just to those presently enrolled in public schools? What criteria would be used in selecting parents to receive vouchers?

(4) If a student elects to use the voucher at either a public or private school outside his home district who would pay for the cost of transportation?

(5) If sufficient numbers of students within a school district elect to use Chapter 1 funds to attend private schools or public schools outside the district, conceivably this could exhaust that district's Chapter 1 funds. If such happens, how would students already attending public and private schools and in need of special educational services once provided by Chapter 1 receive them?

These are just a few of the many questions raised about the specifics of implementing the proposed Chapter 1 voucher which make us uneasy about its potential for success. We fear that vouchering Chapter 1 could weaken a successful educational program which, since 1965, has provided needed services for poor and educationally disadvantaged children. Until our uncertainty is dispelled we would have to withhold our support for the proposal to voucherize Chapter 1.

As an alternative to voucherizing Chapter 1, the Catholic school community may be receptive to an experimental program with new monies targeted to disadvantaged students attending secondary schools. Such a program would have the twofold effect of not jeopardizing the Chapter 1 program, which is focussed primarily at the elementary level, and of providing the Department with a "showcase" for the exercise of parental rights and free choice in education for poor and minority groups at the secondary level.

Thank you for the opportunity to review and comment upon your Department's proposal, and in particular, for your attention and consideration of our suggestions in this letter.

Sincerely,

Rev. THOMAS G. GALLAGHER,
Secretary for Education.

NORTH CAROLINA ASSOCIATION OF COMPENSATORY EDUCATORS,
Winston-Salem, N.C., April 6, 1983.

Hon. CARL PERKINS,
Chairman, House Education and Labor Committee,
Washington, D.C.

DEAR MR. PERKINS: The administration recently unveiled a proposal which would do serious injury to compensatory education in this country. This proposal, soon to be introduced in the House, would provide educational vouchers to parents of disadvantaged children; and, according to administration spokesmen, parents would be able to purchase compensatory education of their choice in schools of their choice, including private schools.

We have studied the available details of the plan and find that it has few redeeming features. It seems to have no support in the education community, where it has been characterized as "totally unworkable," "impossible to implement," and "an administration plan to wipe out programs for the disadvantaged."

We in the NCACE believe that the plan would imperil the Chapter 1 program by weakening its existing structures and controls and offering alternatives with few structures and controls. It would replace structure with fragmentation, thereby creating horrendous administrative burdens and making program evaluation impossible. And it would assign major educational decision-making responsibilities to parents of disadvantaged children, their qualifications to choose effective compensatory programs notwithstanding. Finally, it would go far in the direction of wrecking a fine program of compensatory education, the product of 18 years of efforts.

For these reasons the NCACE has serious misgivings about the proposal. We wish to express our unqualified opposition to voucherized education for disadvantaged students, and we appeal for your assistance in defeating the proposed legislation.

Sincerely,

ROBERT R. SEVERS,
Chairman, NCACE Legislative Committee,
Winston-Salem/Forsyth County Schools.

PREPARED STATEMENT OF EDD DOERR, EXECUTIVE DIRECTOR, THE VOICE OF REASON

The Voice of Reason is a nationwide interfaith public interest organization dedicated to defending our country's heritage of religious freedom, church-state separation, and pluralistic public education. We strongly oppose the Administration's educational voucher proposal for the constitutional and public policy reasons listed below.

Although the educational voucher plan has been talked about for a generation or so, it has never found much favor around the country. The Nixon and Ford administrations tried for several years to persuade a number of local school districts to participate in federally funded voucher experiments, but the only district in the entire country to agree was the Alum Rock District in San Jose, California, which insisted that the experiment be confined to public schools. Indeed, Alum Rock went along with the experiment primarily as a way of bringing extra funds into the district. In any event, the Alum Rock experiment did not raise any great enthusiasm for the plan in California.

Since Alum Rock attempts have been made to initiate an amendment to the California state constitution to require voucher funding for all public and nonpublic schools, but the proposal met with so little favor, even on the part of nonpublic school parents, that it fell far short of the number of signatures needed to get on the ballot.

In March of 1976 the voters in the New Hampshire towns of Allentown, Candia, Deerfield, Hollis, Hooksett, and Salem voted strongly to spurn the plan before it could even be tried out. This occurred even though the National Institute of Education had spent $360,000 to design the plan and sell it to the six towns. In the same year the East Hartford, Connecticut, school board voted a voucher plan down after two opinion polls showed that opposition was running 70 percent to 30 percent even after the NIE had spent $387,000 to persuade the community to accept the plan.

In 1978 a voucher plan was placed on the ballot in Michigan. Though it was "sweetened" by being coupled with a plan to cut property taxes, it was defeated at the polls by a 74 percent to 26 percent landslide.

But let us look at the very serious objections to the Administration's voucher plan.

It is almost certainly unconstitutional. The legal advisers to President Nixon's Commission on School Finance, Father Charles M. Whelan of Fordham Law and Paul A. Freund of Harvard Law, so reported in 1971. After all, the Supreme Court in *Everson* v. *Board of Education* (330 U.S. 1) in 1947 did say clearly that, No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion." Since 1971, the constitutional case against voucher plans has been made even stronger by the Supreme Court.

Of course the Administration proposal seeks to avoid constitutional problems by declaring that payments under the plan "shall not constitute Federal financial assistance." But this orwellian distortion of language will not wash. Even so indirect a form of tax aid for private schools as lending textbooks to students, upheld by the Supreme Court in 1930 (*Cochran* v. *Louisiana State Board of Education*, 281 U.S. 370) and in 1968 (*Board of Education* v. *Allen*, 392 U.S. 236), was scrutinized more carefully by the Court in 1973 in *Norwood* v. *Harrison* (93 S. Ct. 2804). The Court held in *Norwood* that even textbook loans "are a form of tangible financial assistance benefitting the schools themselves", and that such aid could not go to schools "that practice racial or other invidious discrimination." Nonpublic schools, as will be pointed out below, practice several forms of discrimination not allowed in public schools and therefore properly labelled invidious.

In 1971 in *Lemon* v. *Kurtzman* and *Earley* v. *DiCenso* (403 U.S. 602) the Supreme Court ruled that Pennsylvania and Rhode Island laws providing tax aid to sectarian private schools violated the First Amendment because the vast majority of nonpublic schools "have a significant religious mission on . . . a substantial portion of their activities are religiously oriented", that "comprehensive, discriminating and

continuing state surveillance" would be required to restrict aid to purely secular functions, and that "these prophylactic contacts will involve excessive and enduring entanglement between church and state" in violation of the First Admendment.

In 1972 and 1973, in *Wolman* v. *Essex* (409 U.S. 808), *Committee for Public Education* v. *Nyquist* (403 U.S. 602), and *Sloan* v. *Lemon* (413 U.S. 825), the Supreme Court ruled unconstitutional Ohio, New York, and Pennsylvania laws providing tax aid to non-public schools in the form of tuition reimbursements analogous to vouchers. These rulings were handed down in conjunction with rulings against tuition tax credits, a plan also being advocated by the Administration.

In ruling against tuition reimbursements, which are logically indistinguishable from vouchers, and tuition tax credits, which Nixon Administration voucher expert Christopher Jencks once described as equivalent to an "unregulated voucher" plan, the Supreme Court employed the by now well known three part test of constitutionality under the First Amendment: to be constitutional a law may not have a primary purpose or effect which advances or inhibits religion, and may not create either the reality of or the potential for excessive entanglement between religion and government. The Administration's voucher plan fails all three tests.

One of the purposes of the First Amendment is to protect the right of all citizens not to be compelled through taxation to contribute involuntarily to the support of religious institutions. The voucher plan would be such a tax. The overwhelming majority of nonpublic schools are religious institutions whose main reason for being is the teaching and reinforcing of particular religious beliefs and values.

In addition to providing unconstitutional tax aid to sectarian institutions, the Administration's voucher plan would aid schools which practice forms of discrimination in admissions and hiring not permitted in public schools. Nonpublic school faculties and student bodies tend to be rather homogeneous religiously, which is the natural result of the particular religious bent of the denominationally controlled individual schools. Nonpublic school teachers can be and are hired and dismissed for religious and ideological reasons which would not be considered in public schools. Nonpublic schools generally require religious instruction, which operates to limit enrollment largely to children of families subscribing to the faith of the religious body which sponsors the private school. Many nonpublic schools have dress codes or require uniforms, which also discourages enrollment of disadvantaged children. Nonpublic schools also use more rigid discipline codes than are permitted in public schools, and they rarely accept children with severe handicaps, as public schools are required to do.

In general, the kinds of selectivity common in nonpublic schools are not compatible with the sort of open admissions and hiring required of public schools, and, indeed, could well lead to court rulings, as in *Norwood*, that a voucher plan is unconstitutional for other than First Amendment reasons.

The Administration voucher plan is unlikely to benefit very many of the children it is ostensibly intended to help. A study of almost all (383) of the nonpublic schools in the Washington metropolitan area in 1981 showed that elementary tuition ranged from $733 to $1,759, while secondary tuition ranged from $1,125 to $3,438. Even if a voucher were worth $500, there are few nonpublic schools which could afford to admit students whose families could not afford to supplement the voucher to make up the tuition parents could afford to supplement the vouchers.

The Administration proposal would also purportedly allow students to attend public schools in other districts. However, a $500 voucher would cover only a small fraction of the $3,000 or so which school districts must charge for admitting nonresident students. So few if any disavantaged children would ever actually get into out-of-district public schools.

Further, the Administration's proposal says nothing about transporting voucher students to either nonpublic schools or public schools outside their own school attendance areas or districts. Transportation of public school students to schools within their own attendance areas costs an average of more than $150 per student per year. The 1981 survey of Washington area nonpublic schools showed that nonpublic schools which provided transportation for students charged an average of $450 per student per year for the service. And there are instances in New York and Pennsylvania, where state laws require public school districts to transport students to private schools up to ten or fifteen miles outside the district, of transportation of nonpublic students costing more than the cost of the education they receive. Transportation costs alone would doom the Administration plan to utter failure.

For the economic reasons cited above, and the fact that the administration costs of a voucher plan would be considerably higher than those of programs confined to public schools, the Administration voucher plan is unlikely to benefit very many of the children it is supposed to aid. It offers disadvantaged children far less than they

can get now in public schools. Indeed, it offers little more than cruel illusions. It promises disadvantaged children access to "better" schools, but would not guarantee a single child a place in one, while at the same time opening ways for public funds to be shifted from the public schools serving all our children to private schools which need not admit any children they do not want.

The Administration voucher plan would reduce public control over public spending. Public schools are governed by elected boards of and responsible to local parents and taxpayers. But the voucher plan would channel public funds to nonpublic schools over which the taxpaying public would have no meaningful control. On the other hand, if private schools would accept public funds through vouchers, they could some day find themselves required to eliminate their religious and other distinctives and therefore their basic reason for existing as private institutions.

A draft of the Administration plan speaks of "competition among school programs for educationally deprived children", but this ignores the fact that public and nonpublic schools do not compete by the same rules on admissions, hiring, and academic freedom.

Finally, any plan which subsidies and encourages the shift of children from our pluralistic, democratic public schools to private sectarian or ideology oriented schools would downgrade and reduce support for public education, which is and must be the backbone of a pluralistic democratic society.

We conclude that the Administration voucher plan is an unconstitutional, poorly conceived Rube Goldberg device that would provide disadvantaged children with little service and a lot of confusion, while distracting attention and diverting funds from sensible, workable programs for needy children. The plan does not merit serious consideration.

COUNCIL FOR AMERICAN PRIVATE EDUCATION,
Washington, D.C., April 20, 1983.

Hon. CARL PERKINS,
U.S. House of Representatives
Washington, D.C.

DEAR CONGRESSMAN PERKINS: I am enclosing a letter on behalf of the Council for American Private Education (CAPE) which I just sent to Secretary Bell on the Title I Voucher proposal. I would very much appreciate it if this could be made part of the record of the Title I Voucher hearings in which CAPE did not testify.

We appreciate your helpful concern about this initiative. And I trust our letter serves to clarify the reasons why the private school community, represented by CAPE, is not supporting it.

With all good wishes.

Sincerely,

ROBERT L. SMITH, *Executive Director.*

COUNCIL FOR AMERICAN PRIVATE EDUCATION,
Washington, D.C., April 20, 1983.

TERREL H. BELL,
Secretary, U.S. Department of Education,
Washington, D.C.

DEAR TED: I have reviewed carefully the Administration's Title I Voucher Proposal. I've also received extensive comments from those of our private school organizations which are involved in the Title I (Chapter 1) Our Board of Directors discussed it during the course of our recent Board meeting. I hope these comments will be considered a positive contribution to a very important concept even if they will, in the aggregate, express the reasons why CAPE is withholding its support for this proposal.

We think the voucher concept is now with a great deal of potential for increasing parental choice, maximizing parents' commitment to their child's school and learning and, thus, for improving education. We also recognize that it represents a major change in the way education is organized. Thus, a voucher plan must be approached with maximum care and thought and with sensitive concern for the well-being of all the children and families affected. With all this in mind, we find the best way to approach its implementation is experimentally in a limited setting and with funds which are not taken from present programs.

The administration's proposal is, in our view, seriously flawed because it fails the above tests, and because there are large numbers of questions about it which appear not to have been addressed at all. Among these:

1. What kind of service can vouchers be used for in private schools? Is the regular curriculum of a private school considered to be adequately compensatory? How much control do parents have in determining the program to be followed by their children in the private school?

2. Is educational or economic need the basis for approving a parent's request for a voucher?

3. Must a private school enroll a child with a voucher, or give him/her preference for admission? What happens when the tuition cost exceeds the value of the voucher?

4. If this plan were broadly implemented what would happen to the Title I programs now operating well in public and private schools?

Our membership is also deeply concerned about the potential this proposal has for weakening Chapter I, a highly successful program for the most disadvantaged and educationally deprived students in our schools. We view with alarm experimenting with a lifeline so critical to their well-being.

Finally, we seriously question the political wisdom of advancing this program, which is widely viewed as giving support to private schools at the direct expense of a highly successful, largely public school program, at a time of restricted funding for education. We are bothered by the equity issue involved here. We are also disturbed that the proposal will, for this reason, make passage of tuition tax credits all the more difficult.

For all these reasons we respectfully decline to be counted among the supporters of this initiative.

With warm respect and very best wishes.

Sincerely,

ROBERT L. SMITH, *Executive Director.*